

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON HIGHER EDUCATION

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September 30, 2014

Start: 1:15 p.m.

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HELD AT: Committee Room - City Hall

B E F O R E: INEZ D. BARRON  
Chairperson

COUNCIL MEMBERS:

James Vacca  
Fernando Cabrera  
Jumaane D. Williams  
Laurie A. Cumbo  
Ydanis A. Rodriguez  
Vanessa L. Gibson

## A P P E A R A N C E S (CONTINUED)

Matthew Sapienza  
Vice-Chancellor  
Budget and Finance  
City University of New York, CUNY

Curtis Kendrick  
University Dean  
Libraries and Information Resources  
City University of New York, CUNY

Brian Cohen  
Associate Vice-Chancellor and  
Chief Information Officer  
City University of New York, CUNY

Muhammad Arshad  
University Student Trustee  
City University of New York, CUNY

Richard Hershman, Vice President  
Government Relations  
National Association of College Stores

Nicole Allen, Director  
Open Education for the Scholarly  
Publishing and Academic Resources  
Coalition, SPARC

Aileen Sheil, Chairperson  
New York Public Interest Research Group,  
NYPIRG

2 [sound check]

3 CHAIRPERSON BARRON: [gavel] Good

4 afternoon. I'm Inez Barron, Chair of the Committee  
5 on Higher Education. Today's hearing is about  
6 textbook affordability. Witnesses invited to testify  
7 include the CUNY Administration, faculty and  
8 students, textbook publishers, college bookstores,  
9 and other college that have textbook affordability  
10 pilot programs. We are pleased to have the testimony  
11 submitted by Paul Christopher Senior Director of the  
12 bookstores and NYU Card Services, NYU.

13 Textbooks are exorbitantly expensive.

14 College students spend an average of \$1,200 per year  
15 on them. That's roughly 25% of the annual tuition at  
16 City University of New York's Community Colleges, and  
17 20% of the tuition at CUNY's senior campuses. We've  
18 spent a lot of time this year talking about tuition  
19 at CUNY, and we are going to continue to talk about  
20 that until we restore free tuition for everyone.

21 But, we would be remiss if in our efforts to make  
22 education affordable for everyone we fail to reduce  
23 an expense that is central to the education  
24 experience, and such a significant part of the  
25 overall costs.

2           In recent years, there has been a lot of  
3 attention paid to the textbook issue. In 2008, the  
4 President signed into law the Higher Education  
5 Opportunity Act. That law requires textbook  
6 publishers to unbundle textbooks so that students are  
7 not forced to buy unnecessary supplements. And it  
8 requires publishers to describe in detail the  
9 differences between editions of the same text. So  
10 that professors can determine whether students need  
11 the latest version, or rather a much less expensive  
12 earlier edition is as good. The law also requires  
13 universities to list the ISBN numbers of textbooks in  
14 the course catalog to empower students to comparison  
15 shop online.

16           Today, we are interested to hear how this  
17 law has been implemented at CUNY and whether it has  
18 benefitted students. We are also interested in  
19 hearing the ways in which technology can reduce the  
20 cost of college textbooks, and how CUNY is responding  
21 to these opportunities. It is widely reported that  
22 electronic textbooks are usually 50 to 60% less  
23 expensive than the printed versions. Such a discount  
24 could amount to an average savings of roughly \$3,000  
25 over four years. But, are students at CUNY able to

2 take advantage of this? For some students these  
3 savings may be more accessible because of various  
4 technology subsidies provided to specific academic  
5 programs. While for others an inability to afford  
6 the latest technology may put the available discounts  
7 out of reach.

8           So, as we hear testimony about the  
9 utility of the electronic textbooks, we will also be  
10 looking to make sure that they are not treated as a  
11 privilege for some students and not others. Lastly,  
12 in the era of open source code and open data, there  
13 is a new push to create open textbooks that include  
14 information for material in the public domain, and  
15 published subject to royalty-free open licenses.  
16 These textbooks are part of a larger open educational  
17 resource movement to completely reshape the  
18 marketplace for academic publishing. Because authors  
19 don't take a fee for the sale of such books, various  
20 compensation models have emerged including grants,  
21 institutional support, fees on supplemental  
22 materials, and advertising. We hope to examine  
23 whether you get what you pay for or if this is a  
24 viable alternative to the current textbook  
25 marketplace in which CUNY can and should play a role.

2 I want to welcome Professor Christopher  
3 Malone, and the students of his Local and State  
4 Government class for visiting us today from our  
5 neighbor across the park, Pace University, which I  
6 should note had an electronic textbook pilot program  
7 in 2012, which I hope we will hear about. I also  
8 want to acknowledge my colleague on the Committee,  
9 Council Member Vacca; my Legislative Director Indigo  
10 Washington; my Chief of Staff Joy Simmons. And other  
11 staff members, Wally Clay, Anita Fisher, Vincent  
12 Vergie [sp?]. And the Committee staff, our Policy  
13 Analyst Tonya Cyrus. Our Financial Analyst Christina  
14 Parotte [sp?], and our Committee Counsel Jeffrey  
15 Campagna.

16 If you plan to testify, please submit  
17 your written testimony to the Sergeant-at-Arms and  
18 complete an Appearance Form. All testimony is under  
19 oath. So please wait to be sworn in before  
20 testifying. And when you do speak, please be sure to  
21 identify yourself by name and affiliation before you  
22 begin. I'll call the first panel. Vice Chancellor  
23 Matthew Sapienza; Associate Vice Chancellor Brian  
24 Cohen; University Dean Curtis Kendrick; and  
25 University Student Senate Chair Muhammad Arshad.

2 [Pause]

3 CHAIRPERSON BARRON: If you would raise  
4 your raise your right hand. If you would raise your  
5 right hand. Than you. Do you affirm to tell the  
6 truth, the whole truth, and nothing but the truth in  
7 your testimony before this committee, and to respond  
8 honestly to Council Member questions?

9 MATTHEW SAPIENZA: Yes.

10 CHAIRPERSON BARRON: Thank you. You may  
11 begin.

12 MATTHEW SAPIENZA: Thank you. Good  
13 afternoon, Chairperson Barron, and Members of the New  
14 York City Council Higher Education Committee. I am  
15 Matthew Sapienza, Vice Chancellor for Budget and  
16 Finance at the City University of New York. I want  
17 to speak with you today about reducing the costs of  
18 college textbooks. I am joined this morning by  
19 Associate Vice-Chancellor and Chief Information  
20 Officer Brian Cohen; University Dean for Libraries  
21 and Information Resources Curtis Kendrick; and the  
22 University Student Trustee Muhammad Arshad.

23 We are grateful to the Council's Higher  
24 Education Committee for drawing attention to this  
25 topic as being critical for students' success.

2 Nationwide the overall burden of higher education  
3 costs is increasing. With American student debt  
4 topping \$1.2 trillion, this issue an urgent national  
5 concern. College textbook expenses in particular are  
6 submitted in the light of these growing obligations.  
7 In the 2013-2014 Academic Year on average students in  
8 the United States paid \$1,200 for books and course  
9 materials as Chair Barron mentioned earlier. These  
10 high costs create significant roadblocks to students'  
11 success. Although we would all agree that more needs  
12 to be done to ease the barriers to a higher education  
13 degree, we are proud of the University's  
14 accomplishments in keeping the cost of attendance as  
15 low as possible. And that students continue to seek  
16 CUNY as their institution of choice. In fact,  
17 enrollment for the fall 2014 semester has never been  
18 higher in the University's history. Over 274,000  
19 students have enrolled at CUNY campuses. This  
20 represents an increase of over 40% since the Year  
21 2000.

22                   And just to put that in more perspective,  
23 that's over 75,000 students that we've added at the  
24 University since the Year 2000. In addition,  
25 freshman enrollment is also at an all-time high



2 totaling 38,000 for this semester. Please be assured  
3 that we are committed to ensuring that all members of  
4 this historic student population receives the maximum  
5 academic and financial support that is possible. For  
6 several years now the University has been acutely  
7 aware of the difficult challenge that increasing cost  
8 of textbooks has had on our students. And has  
9 implemented several solutions to help alleviate this  
10 burden.

11 One of these successful methods was  
12 through our Student Financial Assistance Initiative,  
13 which commenced in 2010 and provides \$10 million  
14 annually for students whose matriculation is at risk  
15 due to financial challenges. A significant and  
16 effect component of this allocation is the Student  
17 Textbook Initiative. Initially established at \$2  
18 million, this appropriation has proven so successful  
19 [bell] that the allocated amount has been increased  
20 to \$3 million. Through the leadership of University  
21 Dean Kendrick, these funds are allotted directly to  
22 campus libraries, and are used specifically to  
23 support currently enrolled students in their course  
24 work. The goal of this initiative is to help defray  
25 the cost of textbooks and other course related

2 materials for students. We continue to receive  
3 positive feedback from students, librarians, and  
4 college administrators as to the effectiveness of  
5 this program.

6           An additional example of how the  
7 University is leading in providing access to  
8 textbooks for our students is through the thriving  
9 Accelerated Students and Associate Programs or ASAP  
10 Initiative. ASAP exists at our six traditional  
11 community colleges and has been recently launched at  
12 Medgar Evers College. One of the incentives that is  
13 made available to financial aid eligible ASAP  
14 students is the free use of textbooks. ASAP has been  
15 one of the University's most successful innovations  
16 over the past decade, and has garnered national  
17 recognition. The ASAP graduation rate is more than  
18 three times the national three-year graduation rate  
19 for urban community colleges.

20           There are several other programs at the  
21 University whereby seniors can receive assistance  
22 with the cost of textbooks. For example, the SEEK  
23 Program, which is funded by the State of New York,  
24 provides grants to eligible students for the costs of  
25 books and supplies. And, of course, the City Council

2 Merit Scholarship is another shining example of a  
3 program that is providing critical assistance in  
4 helping to reduce the cost of textbooks. This  
5 scholarship initiative was put forth by Trustee  
6 Arshad, and the University student senate, and was  
7 championed to the Council by Speaker Barron and the  
8 Higher Education Committee. We are extremely pleased  
9 that \$11 million has been made available by the  
10 Council in order to assist about 13,000 first-year  
11 CUNY students with supplies, textbooks, and other  
12 expenses.

13           The Federal Pell Grant Program is another  
14 essential tool that provides financial support to  
15 needy students. The maximum Pell Grant award has  
16 been increased by \$85 to \$5,730 for this academic  
17 year, and can be used for books and supplies. Since  
18 Pell Grant awards for the fall semester are not paid  
19 until October, and spring awards are not paid until  
20 March, the University's Financial Aid Office advances  
21 Pell payments for eligible students at the beginning  
22 of each semester. These advance payments are  
23 intended to provide students a portion of the Pell  
24 award at the beginning of the semester to help  
25 purchase books and supplies.

2 Another innovative solution is taking  
3 shape at John Jay College of Criminal Justice where a  
4 new online bookstore launched this past summer. Like  
5 many institutions, John Jay has recognized that  
6 online shopping is a key part of the solution to  
7 bring students back to the school bookstore. The  
8 college's expectations that this progressive new  
9 initiative will help deliver low cost materials to  
10 John Jay students. And provide a personalized  
11 student shopping experience that will be accessible  
12 for any device at any time. The online bookstore  
13 will create a simple way to select new, used, rental  
14 or ebooks at significant discounts. The University  
15 commends John Jay College for its leadership in this  
16 area, and expects that this pilot will be of great  
17 benefit to its students. We will continue to work  
18 with John Jay to ensure the success of this  
19 initiative, and will strongly encourage our other  
20 colleges to replicate this innovation at their  
21 campuses.

22 Under the direction of Associate Vice-  
23 Chancellor Cohen a link has been established on  
24 CUNY's main website, which provides students with a  
25 myriad of options when it comes to keeping the cost

2 of textbooks as affordable as possible. This webpage  
3 includes access to all campus library catalogs and  
4 lists dozen of electronic links where students can  
5 directly access websites to comparison shop, and  
6 purchase used textbooks, ebooks or even rent  
7 textbooks for the semester. The CUNY website also  
8 includes a link to online book swaps where students  
9 can trade books with others.

10           While I have described several ways in  
11 which the University is assisting students with the  
12 cost of textbooks, all of us at the University  
13 realize more can be done. And we are constantly  
14 analyzing best strategies for doing so. One of these  
15 ways is to open educational resources in which  
16 textbooks and other instructional resources can be  
17 legally accessed for free use while ensuring authors  
18 retain copyright to their work.

19           We are seeking an investment of \$1  
20 million over the next four years. And project that a  
21 total of 50 open courses can be established with  
22 these funds, which will then generate savings of  
23 almost \$6 million to our students over that time  
24 frame. Dean Kendrick has drafted his proposal in  
25 which we have consulted with the University Faculty

2 Senate leadership, and will provide more details  
3 about this initiative in his testimony.

4 Chairperson Barron and Committee Members,  
5 we are grateful for your constant leadership in  
6 ensuring that a high quality and accessible CUNY  
7 continues to be a mandate for a successful and  
8 progressive city. We look forward to working with  
9 you to uphold that commitment. I would now like to  
10 ask University Dean Curtis Kendrick to provide his  
11 testimony.

12 CURTIS KENDRICK: Well, good afternoon,  
13 Chairperson Barron and members of the Higher  
14 Education Committee. I am Curtis Kendrick, CUNY's  
15 University Dean for Libraries and Information  
16 Resources. It is a pleasure to be back before this  
17 committee to talk about textbook affordability.  
18 Unequal access to high quality education is  
19 contributing to growing racial and economic  
20 disparities in academic achievement, and preventing  
21 students from advancing the world. By 2020, some 65%  
22 of all jobs will require post-secondary education.  
23 But only 41% of the nation's 18 to 24-year-olds are  
24 pursuing the kind of post-secondary degrees that will

2 prepare them for the high skilled jobs that will be  
3 in demand.

4           One explanation for the dearth of  
5 students obtaining post-secondary degrees is the  
6 prohibitive cost of college to which the high cost of  
7 textbooks is a major contributing factor. Students  
8 must spend approximately \$1,200 a year on textbooks  
9 and supplies, which amounts to 14% of tuition for  
10 students in public four-year colleges, and 39% for  
11 students in two-year colleges according to the  
12 College Board. The City University of New York's  
13 estimates are in line with these figures with  
14 expected textbook expenditures of about 20% of  
15 tuition at baccalaureate colleges and 27% of tuition  
16 at community colleges.

17           These costs are a major issue for CUNY  
18 students, 39% of whom come from families with  
19 household incomes of less than \$20,000. Financing  
20 the college degree has become an unprecedented burden  
21 for students and taxpayers who must repay their  
22 student loan debt with interest. Textbooks  
23 contribute significantly to this debt, which  
24 according to the Consumer Financial Protection Bureau  
25 exceeds \$1 trillion nationally. In many cases,

2 students choose not to register for courses that  
3 require them to purchase textbooks. In a large study  
4 of students, of enrolled students, about 14,221  
5 across the State of Florida, 23% of respondents  
6 surveyed have not registered for a course because of  
7 the high cost of textbooks. 10.6% had to withdraw  
8 from the course and 7.2% had failed the course  
9 because they could not afford the assigned textbooks.

10           The cost of textbooks may prevent  
11 students from taking an optimal course load,  
12 resulting more years in college and the reduced  
13 likelihood of completion. Some students choose not  
14 to purchase books at all, or use outdated editions or  
15 non-assigned books according to a study at Houston  
16 Community College. A survey conducted by the U.S.  
17 Probe stated that 65% of respondents opted out of  
18 buying a textbook because of its cost. And of those  
19 students, 94% indicated they suffered academically.  
20 And textbook costs are rising. Current textbook  
21 prices represent more than an 80% increase from 2002  
22 to 2012, according to the GIO.

23           As you know, for the past several years  
24 CUNY has aggressively been taking action to help  
25 offset the burden of the high cost of textbooks for



2 our students. Our libraries have received special  
3 funding to purchase textbooks for course reserve, as  
4 well as an electronic books, and other materials to  
5 support the curriculum. This past year, CUNY  
6 invested \$3 million in this program. Our libraries  
7 purchased more than 30,000 textbooks plus many more  
8 Open Stax and reference volumes, databases, video  
9 collections, and ebooks. Last year alone students  
10 borrowed these textbook reserve collections about  
11 380,000 times, and downloaded tens of thousands of  
12 selections from ebooks.

13 Our libraries also endeavor to level the  
14 playing field with respect to providing students with  
15 access to technology. Our libraries typically loan  
16 sophisticated equipment such as laptops, tablets,  
17 iPads, or even graphing calculators and digital video  
18 cameras. As much as we've done, however, we  
19 recognize that it is not enough. One way to greatly  
20 reduce textbook costs is by using free and online  
21 Open Educational Resources, OERs. Open content and  
22 open access textbooks are instructional resources  
23 that can be used, re-used, often remixed and  
24 customized under an intellectual property license

2 that permits their free use and repurposing by others  
3 and ensuring authors retain copyright to their work.

4 CUNY took the lead in working with the  
5 New York State Higher Education Initiative, NYSHEI,  
6 in developing the proposal for the New York State  
7 Legislature to fund an Open Educational Resource  
8 Initiative. Unfortunately, NYSHEI recently ceased  
9 operations due to financial difficulties. CUNY is  
10 continuing to move forward in the area of OERs. This  
11 fall we may be offering online workshops for faculty  
12 to provide them with guidance in how to convert their  
13 courses from using high priced textbooks to using  
14 Open Educational Resources.

15 The benefits in OERs go beyond cost  
16 savings. According to the Open Access Textbook  
17 Taskforce, a group of educators that the State of  
18 Florida assembled study distance learning, the use of  
19 OERs fostered students' success, if not an  
20 improvement over commercial textbooks. Students who  
21 used an OER math course developed by Carnegie Mellon  
22 University's Open Learning Initiative, "Learned more  
23 quickly and at a much lower cost according to a  
24 carefully conducted double-blind study."

2           Across the United States faculty are  
3 expressing their support for Open Educational  
4 Resources in great numbers. More than 2,500 faculty  
5 members from 750 U.S. colleges have signed the Open  
6 Textbook Statement, which is a manifesto for using  
7 high quality open textbooks whenever appropriate.  
8 Faculty and colleges are also joining collaborative  
9 ventures, such as the Community College Consortium  
10 for Open Educational Resources, and the College Open  
11 Textbooks Initiative to develop high quality academic  
12 materials.

13           California has established the California  
14 Digital Open Source Library to house open source  
15 materials, and provide a web based platform for the  
16 academic community to find, adopt, utilize, or modify  
17 course materials for little or no cost. At Temple  
18 University some 27 faculty members have received  
19 awards to develop alternatives to the commercial  
20 textbook as part of their Alternate Textbook Project.  
21 In the one course, legality, law, and advertising the  
22 instructor replaced the assigned textbook with a  
23 course pack of new online sources for concept, laws,  
24 and weekly readings resulting in improved student  
25 performance.

2           In another successful initiative, the  
3 University of Massachusetts Amherst awards Open  
4 Educational Initiative Grants to faculty members to  
5 develop new curricular resource strategies using  
6 easily identified digital resources. Faculty create  
7 a variety of alternatives from an online open access  
8 lab manual to ebooks and media stream through the  
9 university library's numerous databases. The Open  
10 Education Initiative is estimated to have saved  
11 students more than \$1 million since 2011.

12           The potential of Open Educational  
13 Resources to improve opportunities has also been  
14 recognized by the William and Flora Hewlett  
15 Foundation. The Hewlett Foundation has been the  
16 principal funder of Open Educational Resources having  
17 invested \$28 million annually in online projects  
18 since 2001. The Foundation's 2010 Strategic Plan  
19 sees the development of OREs as a force that will  
20 contribute to "Equalizing access to knowledge for  
21 teachers and students around the globe."

22           A Houston Community College study found  
23 that students performed better when using an open  
24 textbook compared to a traditional textbook.  
25 Summarizing their study of 690 students showed an

2 improvement in GPA from 1.6 to 2.0; a reduction in  
3 withdrawal rate from 14% to 7%; and an increase in  
4 the final exam average score from 67.6% to 71.1%  
5 comparing a traditional textbook to an open textbook.

6           The potential for substantial cost  
7 savings for students combined with the evidence of  
8 improved academic success make a compelling argument  
9 for providing open educational resources to CUNY  
10 student population. According to Harold Plotkin, the  
11 Senior Policy Advisor in the Office of the Under  
12 Secretary of Education in the Obama Administration,  
13 OERs provide "A unique and largely untapped  
14 opportunity to improve learning outcomes, reduce  
15 costs, and improve the quality of teaching."  
16 Consequently, making a modest investment in OERs will  
17 have "Significant multiplier effects as a quantity of  
18 free, high quality open learning materials steadily  
19 increases, and the most relevant materials become  
20 easier to find."

21           CUNY's Office of Library Services has  
22 begun preliminary plans to establish an Open  
23 Educational Resources pilot project. The project  
24 would test a model of training and incentivizing  
25 faculty librarians to identify, adapt, and adopt open

2 educational resources and deploy them in classroom  
3 settings. The project would pilot OERs in 50  
4 courses, and in doing so capture the technological,  
5 logistical, and legal processes undertaken to provide  
6 guidance to those concerned OERs for the first time  
7 in the future. The project would also include  
8 assessment by the highly regarded non-profit Ithaca  
9 S&R to evaluate the pilot's impact on student  
10 learning outcomes. Most importantly, students will  
11 be provided with high quality open learning materials  
12 and save the projected \$5.8 million over the course  
13 of a four-year project.

14 The project objectives would be achieved  
15 through five concomitant streams of activity:

16 1. Identify courses most likely to  
17 intersect with high impact facilities for CUNY  
18 students with high probability of successful  
19 conversion.

20 2. Create a sustainable program of  
21 faculty and librarian training for the identification  
22 of OERs and the conversion of courses.

23 3. Pilot OERs in 50 courses using high  
24 quality free educational materials selected by  
25 faculty, ultimately benefitting 52,500 undergraduate

2 students at CUNY at a savings to students of \$5.8  
3 million, and a return on investment of 480%.

4 4. Develop and implement an assessment  
5 model that includes success in lowering student  
6 costs; its impact on student learning outcomes and  
7 attention; its evidence of sustainability through  
8 measures such as success in extending the converted  
9 course from the originating professor to his or peers  
10 on the same campus or elsewhere; and

11 5. Promote collaboration with other  
12 institutions by making the tools adopted freely  
13 available to everyone in New York State and beyond.

14 In conclusion, I have outlined just two  
15 of CUNY's strategies for addressing textbook  
16 affordability. One is the short-term strategy of  
17 investing in current curriculum materials, textbooks  
18 and the like, and putting them all on reserve so that  
19 students may make use of them, as well as providing  
20 access to very sophisticated technology for students  
21 to borrow. The longer-term strategy speaks to  
22 addressing the textbook marketplace by providing  
23 incentives for faculty to adopt high quality Open  
24 Educational Resources rather than using high priced  
25 textbooks as their course materials. As more and

2 more faculty at CUNY and across the country move in  
3 this direction, it holds the promise of having a  
4 positive effect on the textbook marketplace.

5           Next, Associate Vice-Chancellor and Chief  
6 Information Officer, Brian Cohen will speak to you  
7 about some other initiatives underway at the  
8 University to address textbook affordability. Thank  
9 you.

10           BRIAN COHEN: Good afternoon, Chairperson  
11 Barron, Members of the Higher Education Committee. I  
12 am Brian Cohen, the Associate Vice-Chancellor and  
13 Chief Information Officer for the City University of  
14 New York. In that capacity, I am responsible for  
15 technology initiatives university wide. My office  
16 supports the needs of the University students, the  
17 faculty, the staff, and explores ways that new  
18 technologies can enhance CUNY's educational offerings  
19 in the most effective manner. Lowering the cost of  
20 textbooks is a challenge my office has been  
21 addressing for the past several years, and the need  
22 to reduce the price of textbooks and course  
23 materials is now more important than ever.

24           According to the Bureau of Labor  
25 Statistics Census Bureau, the cost off college



2 textbooks rose 812% between 1978 and 2012 while the  
3 cost of new homes rose 325%, and medical services  
4 575% in the same time period. If you look at the  
5 prices for the top 20 textbooks currently used by  
6 CUNY students based on enrollment, the average price  
7 for textbook was approximately \$120 for a new book,  
8 and approximately \$100 for an ebook. This comes to  
9 an average cost of \$440 for four textbooks for four  
10 courses in one semester, a nearly impossible cost for  
11 the majority of our students.

12           Four years ago, my office created and now  
13 regularly updates a Textbook Savings Factsheet  
14 located on the CUNY.edu website as well as each  
15 individual campus' home page. I provided a copy of  
16 this flyer for you so you have it in your packet.  
17 This important resource provides students with  
18 information to make cost-effective decisions with  
19 respect to textbooks. The flyer identifies where to  
20 find textbooks at campus libraries, access discounted  
21 resources from online bookstores, rent books, and use  
22 of open source materials. My office also co-  
23 sponsored an ebook pilot program at CUNY, a pilot  
24 program funded faculty proposals to lower textbook  
25 costs for students while enhancing the teaching and

2 learning experience. We discovered through follow-up  
3 evaluations that the cost being the main driver,  
4 students preferred ebooks if they lowered the  
5 textbook cost. The results were shared with the  
6 college provost.

7           Today, I would like to discuss CUNY's  
8 Textbook Saving Committee, which was created more  
9 than a year ago, as well as several initiatives  
10 stemming from that committee's efforts. The Textbook  
11 Savings Committee was established to bring together  
12 members of the University's community to identify  
13 other initiatives that would eventually lead to  
14 textbook savings for our students. Committee members  
15 from the University and college levels include  
16 myself, the University Deputy Chief Operating  
17 Officer, the Chief Librarian, the University's  
18 Director of Academic Technology, faculty, student  
19 representatives, and several college vice presidents  
20 for finance and administration.

21           The first action of this committee was to  
22 issue a request for information or an RFP to  
23 understand the constantly changing textbook  
24 marketplace and determine the best options for  
25 lowering costs to CUNY students. In September of

2 2013, CUNY released the RFP, which contained  
3 questions on how publishers and booksellers can help  
4 CUNY ease the burden on students. We received 20  
5 responses from publishers, bookstores, open source  
6 providers, and online marketplaces, and met with  
7 seven of the 20 in December of 2013. Several  
8 initiatives have stemmed from the meetings. First,  
9 it became apparent that there were a number of  
10 options for colleges wishing to move from the  
11 traditional brick and mortar bookstore to the more  
12 competitively priced online bookstore.

13           As Vice-Chancellor Sapienza mention, John  
14 Jay College of Criminal Justice recently pursued an  
15 online bookstore because it wanted to find lower cost  
16 options for course materials recognizing that  
17 students were more likely to succeed in class if they  
18 had books in hand. John Jay has also made purchasing  
19 convenient providing free shipping either to the home  
20 or to the school. After a convenient [sic]  
21 procurement, the college contractor with Akademos to  
22 establish such a virtual bookstore for its faculty  
23 and its students. The new online bookstore went live  
24 just before the fall of the 2014 semester, and offers  
25 many benefits. For example, the virtual bookstore

2 allows comparison pricing in a broad range of  
3 formats. So a student can search for the lower cost  
4 for a new, used, ebook, or rental. It also promotes  
5 open source content, and provides less costly course  
6 packets or chapters.

7           According to the latest data, as a result  
8 of lowering prices on an average of about 8%, an  
9 increase in availability of used books, students at  
10 John Jay have saved over \$100,000 since the online  
11 bookstore implementation. The virtual platform also  
12 enables faculties to search, discover and adopt new  
13 textbooks including those with lower price points.  
14 Finally, having an online bookstore has freed up  
15 almost 9,000 square feet of space that John Jay had  
16 previously used for its brick and mortar bookstore.  
17 That space can now be repurposed for other academic  
18 use.

19           The full value of the online bookstore  
20 had yet to be realized, as it was only launched  
21 recently. We are currently providing the John Jay  
22 Online Bookstore with data it needs to order books  
23 ahead of time. We are working John Jay to put a  
24 process in place where students will be able to  
25 purchase, rent or subscribe to a course textbook

2 immediately after registering for the course. Having  
3 access to course materials early will assist students  
4 with their studies, the college negotiated favorable  
5 return policy that should not financially impact  
6 student's ability to drop courses if they have  
7 already purchased the materials. So far, no one has  
8 raised an objection to the closure of the brick and  
9 mortar bookstore. The college has also been working  
10 closely with other CUNY campuses, and other higher  
11 education institutions, and they have expressed  
12 interest in this new model. In fact, Queens College  
13 just issued an RFP for a campus bookstore with  
14 options for it to be virtual as well.

15           Turning to another initiative, the  
16 Textbook Savings Committee also learned that  
17 publishers might lower the cost of course materials  
18 when purchased in high volume. With more than a half  
19 a million students attending CUNY colleges, we should  
20 be able to take advantage of such volume discounts.  
21 The University Faculty Senate is now exploring an  
22 initiative to aggregate demand for the same or  
23 similar textbooks across CUNY's colleges, and thereby  
24 lower textbooks for students in most classes. This  
25 effort will start with a small pilot for an

2 introductory chemistry course offered at every CUNY  
3 college. If the pilot succeeds, we hope this  
4 practice will extend to other disciplines and courses  
5 throughout CUNY.

6 Finally, the Textbook Savings Committee  
7 is also exploring other initiatives to lower textbook  
8 costs such as raising adoption by our faculty of open  
9 source course materials, as you just heard from my  
10 colleague, Curtis Kendrick. A book swap among  
11 students, and providing faculty with technology  
12 solutions that would allow them to produce my self-  
13 developed content. These are the highlights of the  
14 work we are currently undertaking, and I look forward  
15 to providing you with an update on these initiatives  
16 in the future. In the meantime, I am happy to take  
17 your questions. But I would first like to introduce  
18 Muhammad Arshad, our Chair of Student Faculty Senate.

19 CHAIRPERSON BARRON: Yes, thank you.

20 BRIAN COHEN: [interposing] Our Student  
21 Senate.

22 CHAIRPERSON BARRON: Yes, just before Mr.  
23 Muhammad Arshad speaks, I do want to acknowledge that  
24 we've been joined by other members. We have Council

2 Member Laurie Cumbo, Council Member Vanessa Gibson,  
3 and Council Member Jumaane Williams joining us.

4 MUHAMMAD ARSHAD: Thank you, Chairman  
5 Barron, members of the Committee and staff. Good  
6 afternoon and thank you for the opportunity to  
7 testify today. My name is Muhammad Arshad. I'm the  
8 Chairperson of CUNY University Student Senate, which  
9 is a student governing body of CUNY, USS and are  
10 composed of all the branches of the University. And  
11 we are responsible for representing over 500,000 CUNY  
12 students. Before I start my testimony, I would  
13 really like to commend the work of the committee for  
14 preparing the briefing, and it's all-inclusive and  
15 very well prepared.

16 I'm certain I speak for all the students  
17 when I say that textbooks are too expensive.  
18 However, that statement does not give you the full  
19 picture. I believe that textbooks are way too  
20 expensive. There is no denying the value of having  
21 textbooks to guide our study throughout a given  
22 semester. I will not diminish the value of having  
23 textbooks as a reference along with notes and  
24 lectures and other required readings for a class.

2           In this age of technology and ereaders,  
3 why do textbooks continue to remain so expensive?  
4 When the DVD arrived, the value of VCRs diminished as  
5 did its market value. When CD's arrived, the same  
6 happened to the audiocassette tapes. When the MP3  
7 player arrived, the same fate fell to the CD player.  
8 We can cite numerous examples and instances of new or  
9 improved technology reducing the cost of older  
10 versions. However, over the past decade the price of  
11 textbooks have increased by 82%, an increase that is  
12 three times the rate of inflation. Why is this the  
13 case? According to College World [sic], the average  
14 student pays \$1,200 on textbooks. In addition to  
15 this, according to a recent survey conducted by  
16 University Student Senate in partnership with CIO  
17 Brian Cohen, the cost of textbooks have caused some  
18 students to withdraw from courses. It has caused  
19 other students to fail courses because they could not  
20 afford the textbook. According to that survey, 77%  
21 of students in the survey are shoppers who like to  
22 make sure they get the absolute price for the  
23 product. Yet, more than 35% of our students are  
24 paying more than \$300 a semester for textbooks. Some  
25 students are paying more than \$750.



2           In the same survey, 50% of those students  
3 find that the textbooks only contribute moderately to  
4 their success in the course. There is no  
5 justification as to why a student should have to pay  
6 the much amount for textbooks on top of the rising  
7 cost of living, the rising cost of tuition, the  
8 rising cost of transportation in a city that fashions  
9 itself as progressive. A city that is supposed to  
10 embody the energy and spirit of its citizens. The  
11 CUNY students are the life blood and the spirit of  
12 everything that this city stands for.

13           According to the same survey, more than  
14 half of the students do not have financial aid paying  
15 for their textbooks. And more than 40% of those  
16 students do not receive financial aid. We cannot  
17 continue to have students footing the bill without  
18 some form of relief. Most of our students are  
19 parents, full-time and part-time workers. We have  
20 priorities and responsibilities beyond the classroom  
21 and beyond the campus. We are not yet fully  
22 entrenched into our careers. To have the cost of a  
23 textbook cause a student to withdraw from a course is  
24 perhaps the most heartbreaking scenario I can  
25 imagine. I know students who are homeless. I know

2 students who cannot afford meals. I know students  
3 who if they do not have this as something to look  
4 forward to they have nothing at all. We must do  
5 something to help our students.

6           We can find some form of alternative  
7 solution to this. I know we can, and some of the  
8 projects that our University administrator mentioned  
9 today, and the University Student Senate works with  
10 them. And we can find more in this, today's world.  
11 Using technology, we can find more solutions that are  
12 cheaper by using open source, by using ereaders and  
13 technology to make sure that our students, or all of  
14 our students have access to some sort of material  
15 that they can use for their studies as opposed to  
16 just a hardcover textbook. We can use other  
17 alternatives and some of the pilots that we have, and  
18 upon the success of those pilots, we can make those  
19 pilots available to a large population of our  
20 students. Thank you.

21           [Pause]

22           CHAIRPERSON BARRON: I want to thank the  
23 panel for their testimony. It was very enlightening,  
24 and glad to know that CUNY is doing-- Taking actions  
25 to help our students. Your testimony has generated

2 lots of questions, and I will ask those questions,  
3 and then I will ask my colleagues if they have  
4 questions as well. As you talked about-- I believe  
5 it was the Higher Education Initiative to talk about  
6 an initiative that would allow faculty to get  
7 involved in providing sources. How long? You said  
8 it ended. How long did it operate?

9 BRIAN COHEN: Are you talking about the  
10 pilot that we did a couple years ago?

11 CHAIRPERSON BARRON: Yes. How long?

12 BRIAN COHEN: It went for a full semester.

13 COUNCIL MEMBER: [off mic] Could you  
14 please speak up.

15 BRIAN COHEN: It went for a full  
16 semester. We partnered with the University Provost  
17 Office at the time. That office reached out to the  
18 faculty asking for proposals, helped us to evaluate  
19 those, and those faculty were interested in using an  
20 etextbook for a course pack or course material in  
21 electronic format. We were given the necessary funds  
22 to do so. And then once the semester ended either  
23 the faculty would continue that way, or would turn  
24 back to whatever traditional method of teaching they  
25 had. The purpose of the pilot was really to inform

2 us and to inform the faculty how the materials were  
3 received by the students, and how well it helped in  
4 the classroom.

5 CHAIRPERSON BARRON: So what were the  
6 results of that pilot? Why did it end? Why haven't  
7 we seen-- What year was it that it operated, and  
8 what were the results? Because if we're talking  
9 about moving forward and getting faculty to buy into  
10 the electronic age, it would be good to know those  
11 questions. Who put the money up for it? Was it only  
12 for a semester? Why did it end, and what the  
13 results? What kind of report came from that, and  
14 what kind of impetus did it spark? Did we see any  
15 changes in faculty using ebooks. So what did it  
16 generate?

17 BRIAN COHEN: I can answer some of those  
18 questions, and some I will get back to you on.

19 CHAIRPERSON BARRON: Okay.

20 BRIAN COHEN: The money was originally  
21 sponsored by the University Provost Office, which is  
22 the Executive Vice-Chancellor University Provost. So  
23 it was the central office that put the funds up, and  
24 it was done as a university wide pilot to inspire  
25 some of this learning in both community colleges as

2 well as in the senior colleges. The pilot was  
3 evaluated at the end. It was considered to be a one-  
4 semester pilot. If, in fact, the faculty believed  
5 that there was a interest to continue the pilot, then  
6 they would work closely with their department chairs,  
7 with their colleges to continue the pilot as well.  
8 At the end of the actually semester, we worked with a  
9 group of faculty who actually self-evaluated how the  
10 learning was occurring, and how they piloted, and how  
11 that particular pilot was a success. And those  
12 results were shared with the University's Provost's  
13 Office, who in turn I believe shared those with the  
14 college provost as part of the Chief Academic  
15 Officers.

16           The expectation was that if the Chief  
17 Academic Officer and the Provost and the Department  
18 Chairs and the faculty saw value in the learning that  
19 occurred, or in the pilot, then they would continue  
20 different pilots. Or, they would continue different  
21 practices within the college itself. I'm not  
22 familiar and we can always find out. I'm not  
23 familiar with how many of those pilots actually  
24 continued into regular course offerings.

2 CHAIRPERSON BARRON: I think that would  
3 be a good start as we talk about trying to get  
4 faculty and our brains [sic] on board trying to give  
5 them incentives to be able to use the technology,  
6 which, of course, would reduce the cost of textbooks.  
7 To find out how they self-evaluated? What were the  
8 results? What did they feel was the benefit, and did  
9 those schools that saw some benefit to the program  
10 did they, in fact, have their schools continue? Or,  
11 did they find a way to adopt the benefits of that  
12 program into what they did at their own site. So  
13 that would be I think very interesting to know. And  
14 do you know the costs, and do you know the exact year  
15 that that functioned?

16 BRIAN COHEN: I want to say, but I would  
17 be better off if I say I'll get back to you. But I  
18 want to say it was around 2010, but we'll double  
19 check. I'm not sure what the cost was, but we'll  
20 also get back to you on that, as well.

21 CHAIRPERSON BARRON: Okay. As we talk  
22 about the President signing into law the requirement  
23 that colleges present to students at the time, at  
24 least by the time of registration, the cost offering,

2 the title, the textbook the ISBN number. Does CUNY  
3 do that.

4 BRIAN COHEN: Yes, we have. In answer to  
5 the requirements of the law, a system was created  
6 that allows the faculty to put in the ISBN number as  
7 part of the course offering. And when the student  
8 goes to look at the course offering they have the  
9 ability to see that number there. We also partner  
10 with a vendor who provides us with the price of that  
11 book, the manufacturer's suggested retail price of  
12 that book. And through that, they can then begin to  
13 look at other cost offerings or cost possibilities  
14 associated with the book, which is the purpose of  
15 this flyer as well. And where there are-- So we  
16 depend upon the faculty to load the data in as part  
17 of the course offering, but our systems do provide  
18 for it.

19 CHAIRPERSON BARRON: Okay. So, you  
20 provide the opportunity for the faculty to do it.  
21 Who makes sure that the faculty does it?

22 BRIAN COHEN: I would have to say that  
23 that's a function within the colleges itself, within  
24 the University's Registrar's Office, and within the

2 Department's Chair's Office. But we can confirm that  
3 and get back to you.

4 CHAIRPERSON BARRON: So, CUNY doesn't--  
5 They can't certify that, in fact, every CUNY  
6 institution does that? They can't send me a list, or  
7 I can't determine if, in fact, that is occurring? I  
8 know it's a requirement. I hear you say you provided  
9 the mechanism for that to happen. But who is  
10 watching to make sure that it's happening?

11 BRIAN COHEN: We currently look at the  
12 load of how many books are actually loaded in. We do  
13 know that there are over 75,000 ISBN numbers  
14 currently loaded into our systems for different books  
15 across the courses. But I don't have a one-to-one  
16 match. I can't sit here and tell you that we have  
17 done a one-to-one to say, to verify that every course  
18 has an ISBN number. Some courses don't have ISBN  
19 numbers when the courses don't use textbooks, but  
20 they use faculty created materials. So it would be a  
21 little bit hard for us to validate that. We would  
22 depend upon the colleges to help us with that.

23 CHAIRPERSON BARRON: Okay. So in  
24 preparation for today's hearing, the staff is able to  
25 look at further listings for courses being offered



2 this semester at both community and senior colleges.  
3 Of our investigation, there was only one course  
4 listed with the required text, and the ISBN numbers.  
5 So what percentage of the courses that are offered by  
6 CUNY are adhering to this requirement? We would like  
7 to know what is happening in actuality. We're  
8 talking about we have the capacity to offer students  
9 an opportunity to know in advance what the cost is,  
10 and to be able to find ways to identify where they  
11 can get the books at a reduced cost. But yet, we're  
12 not giving it to them. We're not utilizing what it  
13 is that we are able to do.

14           So, we would like to know what percentage  
15 of the cost listed in the University's website for  
16 the 2014 semester listed required text and the ISBN  
17 number. Because if you're telling me that it's been  
18 done, it's simply a matter, I would think, of  
19 gathering that information and having I know a staff  
20 person. I know it's not just pushing it out.  
21 Someone has to do the work. But we want to know what  
22 percentage of the courses that are offered have that  
23 required listing for the ISBN number. Okay, and we  
24 would like to have that information just aggregated  
25 by the colleges, senior colleges listed, and the

2 community colleges listed as well so that we can see.  
3 Perhaps some colleges are doing it more effectively  
4 than others, and we would like to see what that  
5 result is. And we can see what assistance we can  
6 offer to them to make sure that that's happening. I  
7 have lots of questions, but as I gather them together  
8 I'm going to defer to my colleagues. Council Member  
9 Cumbo has some questions.

10 [Pause]

11 COUNCIL MEMBER CUMBO: Thank you, Madam  
12 Chair. I appreciate your testimony as well. I  
13 wanted to ask you what happens at CUNY if a student  
14 informs a professor that they simply can't afford the  
15 book? Is there some kind of policy in play when a  
16 student informs a professor that they just simply  
17 can't afford the book?

18 [Pause]

19 MATTHEW SAPIENZA: Council Member Cumbo,  
20 there is not a formal policy at the University level  
21 for a situation like that. But each college will  
22 handle that at the local level. I think that when a  
23 faculty member becomes aware of that, they should  
24 direct this student to the Financial Aid Office where  
25 there are people that can make them aware of

2 financial opportunities that might be helpful to the  
3 student. But there is no formal university wide  
4 policy. But certainly I think as Trustee Arshad said  
5 earlier, I think he used the word heartbreaking when  
6 he described that situation. Certainly, any student  
7 that has to drop a class because they can't afford a  
8 textbook is heartbreaking, and we certainly don't  
9 want to see that situation. So, I think the colleges  
10 do their best to try to help students that are in  
11 that predicament.

12 COUNCIL MEMBER CUMBO: I think given the  
13 testimonies that were put forward in terms of showing  
14 or demonstrating what happens when a student can't  
15 afford the textbook and all of the different types of  
16 mechanisms. And how it can often lead to a student  
17 either dropping the course or not functioning at the  
18 highest level possible, would say that some sort of  
19 policy should be implemented. So that if a student  
20 does come to a professor and says they simply can't  
21 afford the textbook, that something is actually done  
22 formally to assist the student. And, of course,  
23 there would be lots of ways that that would have to  
24 be implemented that would require further thought.

2           The other one I wanted to know is where  
3 are we in regards to other city, state, and private  
4 schools across the country in terms of making  
5 textbooks available online? Where are we with that?  
6 Are we at the forefront? Are we at the end of the  
7 line, or are we somewhere in the middle? Do we have  
8 an understanding of where we are in terms of other  
9 institutions, public or private, city and state  
10 institutions?

11           CURTIS KENDRICK: I would say that we're  
12 certainly not at the forefront. I would say that  
13 we're in the middle to near the front. You know,  
14 there are some states that have really taken the lead  
15 on this.

16           COUNCIL MEMBER CUMBO: Can you tell us  
17 what some of those states are? Who are the champions  
18 of this?

19           CURTIS KENDRICK: Florida has done quite  
20 a lot of work in this regard, California. In terms  
21 of private schools our Temple has done a lot of work.  
22 Here in New York, a small project has been done  
23 within the SUNY system for the Open SUNY Initiative,  
24 which has done-- put together a few open textbooks.  
25 Similarly at the University of Massachusetts they've

2 done a good project. At the University of Minnesota,  
3 they've done a really good job of compiling a library  
4 of open textbooks that are available across the  
5 world. The State of Oregon has done some good work  
6 in this area. So there are some emerging champions.  
7 Certainly, if CUNY were able to move ahead with the  
8 pilot project that I described, and we would be right  
9 in the mix with being one of the member leaders in  
10 this area. So, I think we are emerging. Really we  
11 are an emerging leader, but there are some other  
12 universities that are a little bit ahead of us.

13 COUNCIL MEMBER CUMBO: I guess the next  
14 question goes into I guess bluntly in that way. Do  
15 you know understand what the profit margins are on  
16 these textbooks on average? What is the average  
17 profit margin that is happening And I guess at the  
18 end of the day as a new council member? I'm not  
19 fully understanding all of this. Who is making all  
20 of the money on this? Like where is all of the money  
21 going? Who is making such a big profit on this? And  
22 it can speak to why we haven't moved quicker or more  
23 swiftly to get to the heart of this matter? Who has  
24 profited at such a high level?

2 CURTIS KENDRICK: There are about five or  
3 six publishing corporations that control 80 to 90% of  
4 the textbook market, and they are the ones who are  
5 profiting on this.

6 COUNCIL MEMBER CUMBO: Why are we so  
7 locked into those?

8 CURTIS KENDRICK: They have a very  
9 extensive marketing operation, and they have the market  
10 kind of sewn up. It's a very expensive business in  
11 terms of the production of a textbook.

12 COUNCIL MEMBER CUMBO: So you would say  
13 the profit margins aren't that high?

14 CURTIS KENDRICK: Oh, no, I think the  
15 profit margins are very high--

16 COUNCIL MEMBER CUMBO: [interposing]  
17 Okay.

18 CURTIS KENDRICK: --but in terms of if  
19 you wanted to open up a publishing house--

20 COUNCIL MEMBER CUMBO: [interposing]  
21 Right.

22 CURTIS KENDRICK: --it would be very  
23 expensive to get the infrastructure in place to do  
24 that. So, you know, it wouldn't-- It would be a

2 hard business to enter, but for those who are already  
3 into it, they're making a lot of money.

4 COUNCIL MEMBER CUMBO: So they have  
5 almost created a monopoly here.

6 CURTIS KENDRICK: Well, every title is a  
7 monopoly. Right. There is only one source for each  
8 textbook.

9 COUNCIL MEMBER CUMBO: Has CUNY ever  
10 thought about going into the business of publishing?

11 CURTIS KENDRICK: So, there are  
12 commercial publishers like Pearson and McGraw-Hill  
13 and the like, and those are kind of the ones that  
14 control the textbook market, the commercial textbook  
15 market. There is a whole other publishing market,  
16 which is the academic publishing market, which that  
17 is more of a dying industry. So if you think about  
18 the large university publishing houses, those are not  
19 faring well, and they have limited success in terms  
20 of producing profit. They will to publish a book, a  
21 history book that a faculty member writes and they  
22 may only sell 400 or 500 copies of that book around  
23 the world.

24 Because their only customers really are  
25 libraries. And occasionally, you'll have a breakout

2 best seller that a faculty member will right, but  
3 those are really rare. So whereas the commercial  
4 publishers are doing very well, the academic  
5 publishers are not faring very well at all. So CUNY  
6 has a publishing arm, the CUNY Feminist Press. The  
7 CUNY Graduate School of Journalism has recently  
8 started a press, but these are not real big name  
9 makers. If anything, they are, you know, barely  
10 breaking even.

11 COUNCIL MEMBER CUMBO: When you  
12 transition to the OER model, I'm sure that it will be  
13 very successful. But would those same companies that  
14 are publishing the textbooks they would be the same  
15 companies that would be creating online versions of  
16 those textbooks that students would be able to  
17 download or utilize however they would. Is that  
18 correct?

19 CURTIS KENDRICK: So they're kind of two  
20 different things here. So there's online textbooks.  
21 Let's say-- not to pick on McGraw-Hill, but let's  
22 just say McGraw-Hill has a textbook and they make an  
23 online version of it. So, that's going to be a for-  
24 profit textbook. It might cost a little bit less



2 than a print book, but it's still going to be  
3 relatively expensive.

4 COUNCIL MEMBER CUMBO: A little bit less?

5 CURTIS KENDRICK: A little bit less.

6 COUNCIL MEMBER CUMBO: It won't be  
7 substantially less?

8 CURTIS KENDRICK: Substantially less. If  
9 you have an open educational resource, it's going to  
10 be substantially less or free.

11 COUNCIL MEMBER CUMBO: Oh, I see.

12 CURTIS KENDRICK: So it's going to be  
13 material that faculty members either locally or  
14 around the world have produced and made available at  
15 no cost or very little cost to anybody who wants to  
16 use it. Typically, these things are licensed using a  
17 creative commons license, which means anyone can use  
18 it, re-use it, modify it, and the idea is not to make  
19 a profit. The idea is to put material out there, and  
20 have it be used the world at large. So it's an  
21 entirely different model. It's not a for-profit  
22 model. It's to advance learning and knowledge and  
23 wisdom.

24 COUNCIL MEMBER CUMBO: My last question,  
25 Chairwoman. Would you say that in the desire to

2 transition into this model, it would greatly impact  
3 those textbook companies who have been charging  
4 exorbitant amounts of monies for these textbooks?  
5 that's correct, right?

6 CURTIS KENDRICK: That is correct.

7 COUNCIL MEMBER CUMBO: Have they since  
8 that time that you've been starting to shift into  
9 that area, been putting forth a great deal of let's  
10 say energy or effort to stop that dynamic from  
11 happening?

12 CURTIS KENDRICK: Yes.

13 COUNCIL MEMBER CUMBO: And what form does  
14 that take, and has that been in part why the process  
15 to transition has taken so long?

16 CURTIS KENDRICK: I think that's part of  
17 it. Many of their efforts have been in discounting  
18 or trying to degrade the quality of a lot of  
19 education resources. And there is certainly an  
20 argument to be made. It's not as slick. It doesn't  
21 have or often will not have the same level of high  
22 production values that you're going to get with a  
23 firm that has, you know, 20 or 40 educational  
24 designers in their shop. But that doesn't mean the  
25 quality is not excellent, and that our students won't

2 learn as well, if not better. If you recall from my  
3 testimony, I mean there are studies that show that  
4 students can learn better using OERs than they can  
5 from a traditional textbook.

6           There are benefits for the faculty also  
7 because with an Open Educational Resource you can  
8 kind of move the material around so that it follows  
9 how you want your course to flow. With a textbook  
10 it's a fixed thing. So you can tell your students,  
11 Well, this week read chapter 2. Next week read  
12 chapter 17, and then we're back to chapter 7. With  
13 an OER, you can rearrange it so the chapters flow in  
14 a way that your course flows. So it's a lot more  
15 logical for you want your course to be structure. So  
16 there are logical benefits. There are curricular  
17 benefits to using a more flexible approach to your  
18 course design.

19           COUNCIL MEMBER CUMBO: Thank you.

20           CURTIS KENDRICK: You're welcome.

21           CHAIRPERSON BARRON: Thank you. In  
22 following that line of questioning, who pays for the  
23 OERs, and how then do we maintain the quality and the  
24 standard? I heard you say there are options for  
25 comments. How do we ensure that we don't wind up

2 with a Wikipedia type product, which we know often  
3 times is not really substantial in terms of the  
4 content, the veracity of the content. So who pays  
5 for the OERs, and how do we maintain the standard of  
6 material that is presented to these OERs.

7 CURTIS KENDRICK: Well, so far, the  
8 people who have been developing, men who have been in  
9 the faculty who are experts in their discipline. So  
10 the people who are developing them, are people who  
11 are professors. They are developing them for their  
12 class. They are developing materials that they want  
13 to use to teach from. So it's been the highly  
14 trained, highly educated, people who are putting  
15 these works together. Typically, they will be people  
16 who have years of experience teaching as educators.  
17 The commercial model genuinely so far it's been one  
18 where the instructor or faculty have been given local  
19 incentives to develop the material.

20 Perhaps release time from their course to  
21 develop the OER and to modify their course so that  
22 they can present a new course to their students. In  
23 the model that we're proposing, that's what the bulk  
24 of the funding would be for. It would be for the  
25 faculty at CUNY to discover the material that's out

2 there, to modify it, to modify their course. And  
3 that's a lot of what the funding would be for, and to  
4 give faculty time to go out and find the material,  
5 develop the material, and so forth.

6 CHAIRPERSON BARRON: Do you find that  
7 there are some academic areas that are more suited to  
8 OERs than others?

9 CURTIS KENDRICK: I think that's true,  
10 and then certainly in what we're planning to do or  
11 hoping to do, we really want to focus on the high  
12 enrollment courses. Your English courses. The  
13 beginning level math courses there is a high  
14 enrollment, and also like a biology course. I think  
15 that if you are looking at an upper level course on  
16 Victorian literature, it might not be the place to  
17 start. I think that when you think of where are the  
18 highly expensive textbooks, that's where you're going  
19 to get the most bang for the buck. And I think those  
20 would be the courses where it would be the most  
21 suitable.

22 CHAIRPERSON BARRON: Okay. I have other  
23 questions, but I want to allow my colleagues an  
24 opportunity. So at this time we're going to call on

2 Council Member Williams followed by Council Member  
3 Gibson followed by Council Member Cabrera.

4 COUNCIL MEMBER WILLIAMS: Thank you,  
5 Madam Chair. Thank you for your testimony. I'm  
6 sorry I came late. So I missed a good portion of it.  
7 I didn't hear Mr. Arshad's testimony.  
8 Congratulations on being Chair of the USS. The only  
9 thing that struck me, which is a good analogy I think  
10 when you were talking about what happened after the  
11 DVDs came, and the DVD players. So I want to talk  
12 about that a little bit, and why hasn't the textbook  
13 actually the cost gone down as we have more access to  
14 online. My belief is maybe because people aren't  
15 accessing them online. So I want to kind of just  
16 feel out what exactly is going on. It sounded from  
17 what I gleaned from you, that most of the textbooks  
18 do have an e-version. First, is that true? Is there  
19 an e-version. Do students know it's available? How  
20 many are available? Can you just run through that a  
21 little bit?

22 CURTIS KENDRICK: Actually, it's that  
23 there aren't as many sort of etext or electronic  
24 only. More have been developing over the past couple  
25 of years, but it's not something that a lot of

2 publishers have raced into. So I think up until  
3 recently, they haven't made etextbooks as available.  
4 Certainly, they are very reluctant to make those  
5 etextbooks available through libraries. They are  
6 very concerned about the cannibalization of the  
7 marketplace. So they don't want to send an etextbook  
8 to a library, and then have the library make it  
9 available to students at the college. They're  
10 starting to-- A lot of what you'll see is they will  
11 sell a print textbook, and then put a lot of  
12 peripheral materials available and make those  
13 available online.

14           So the students will get an access code,  
15 and then they will be able to go onto a website using  
16 that access code. So, you know, part of the problem  
17 is that publishers haven't up until recently had a  
18 real incentive to change their business model because  
19 they've been making a lot of profit the way things  
20 have been. So I think they've seen some of the  
21 challenges from open education resources as a reason  
22 to maybe re-think what they've been doing. But  
23 they've been kind of slow to move to the electronic  
24 versions of their textbooks.

2 COUNCIL MEMBER WILLIAMS: Do you know  
3 what percentage of the textbooks are available--

4 CURTIS KENDRICK: No. [interposing]

5 COUNCIL MEMBER WILLIAMS: --in the e-  
6 version?

7 CURTIS KENDRICK: I don't have that  
8 number.

9 COUNCIL MEMBER WILLIAMS: Is there any  
10 way to find that number so we can kind of see what  
11 we're doing?

12 CURTIS KENDRICK: I'll see.

13 COUNCIL MEMBER WILLIAMS: So when you  
14 say, "Up until recently," I'm just trying to gauge  
15 what that means. So if we didn't know how many are  
16 available now, at least up until recently, what was  
17 available before versus what's available now? What  
18 are you comparing?

19 [Pause]

20 CURTIS KENDRICK: This is just from the  
21 library perspective, and when we've tried to procure  
22 the textbooks through the libraries, and we see very-  
23 - we see more now available than we used to. But I  
24 don't have a percentage to give you a statistic on  
25 it. It's more of an intuition.



2 COUNCIL MEMBER WILLIAMS: Is there a plan  
3 or is there a way to try to push the manufacturers to  
4 provide more online content or any content? Is CUNY  
5 kind of working with any other institutions to try to  
6 push them, particularly institutions that buy a lot  
7 of textbooks? How are we trying to do the market  
8 into that direction?

9 MATTHEW SAPIENZA: I think one thing, you  
10 raised a good point Council Member Williams earlier  
11 about, a good question, I should say, about why isn't  
12 this industry changing the way it did when-- the way  
13 the industry was changed DVDs came out. It's a  
14 really good question. But I think one thing that is  
15 changing about this industry and that we're promoting  
16 at CUNY is the college bookstore that industry is  
17 changing. When I went to college, and I'm older than  
18 you. So maybe it was different when you went to  
19 college, you went to the college bookstore to buy  
20 textbooks. And, you know, you could buy a sweater  
21 and a mug and baseball cap, too. But you basically  
22 went there to buy textbooks, and you waited in line.  
23 The line was probably out the door, and you waited  
24 maybe for hours to get the textbooks you needed.

2 Now, at most college campuses throughout  
3 the country when you went to a college bookstore, you  
4 don't see a lot of textbooks. And that's because the  
5 industry and changing and students are purchasing  
6 more of their textbooks online. And so, what we're  
7 doing at the university is there is a terrific pilot  
8 with have with John Jay College this semester. We  
9 really want to explore having online bookstores. And  
10 so, that will encourage students when they're buying  
11 their textbooks. Rather than going to a physical  
12 place to buy it, that they'll go online and hopefully  
13 get better pricing.

14 COUNCIL MEMBER WILLIAMS: All right. I  
15 do appreciate it. I just want to make sure I  
16 understand. From what you said it sounds like there  
17 are less textbooks in the stores and more online  
18 content. But what was just said is that we know how  
19 much are available, and it sounded like there weren't  
20 that many. So I'm confused with where we are as  
21 opposed to how much online or econtent we actually  
22 have.

23 MATTHEW SAPIENZA: I think more... I  
24 mean, again, we don't have a number for you today,  
25 but we'll try to get it for you in terms of how many

2 textbooks are available online. You know, again  
3 anecdotally, just from having a child in college, I  
4 think most of them are available online. But again,  
5 we don't have a number for you, but we'll try to get  
6 it.

7 COUNCIL MEMBER WILLIAMS: And at the--

8 CURTIS KENDRICK: [interposing] I think--

9 COUNCIL MEMBER WILLIAMS: Sorry.

10 CURTIS KENDRICK: Sir, if I may. I think  
11 there are two different versions of online here. One  
12 is what can we buy online, and have physical delivery  
13 of a physical textbook delivered to you, and then  
14 what is the content available online? So you can  
15 pretty much buy anything online and have it  
16 physically delivered to you.

17 COUNCIL MEMBER WILLIAMS: But I'm  
18 referring to--

19 CURTIS KENDRICK: [interposing] You want  
20 the econtent?

21 COUNCIL MEMBER WILLIAMS: Yeah, what's  
22 available econtent. You were talking about having a  
23 physical textbook online.

24 CURTIS KENDRICK: Correct.

2 COUNCIL MEMBER WILLIAMS: Oh, okay, okay.  
3 Thank you for clearing that. So I'm talking about  
4 econtent online.

5 CURTIS KENDRICK: Yeah.

6 COUNCIL MEMBER WILLIAMS: Madam Chair, I  
7 would like to really follow up, and really see if we  
8 have numbers of what is actually econtent available.  
9 So it's hard to ask the questions about access and  
10 what have you if we don't even know what is  
11 available. I would suggest-- I don't know-- I mean  
12 pressure point should be profit and money. So I  
13 don't know. I was asking before if there is any kind  
14 of plan to link up before the colleges or something  
15 to try to apply pressure to the manufacturers to try  
16 to bend them to do the econtent. So maybe you can  
17 respond to that. Maybe there isn't a plan, but is  
18 that something that you could think about to try to  
19 put forward to get the market to try to force them to  
20 provide more econtent?

21 BRIAN COHEN: If I may I'll also just  
22 clarify that used textbooks which CUNY students rely  
23 very heavily on, depending upon how old that used  
24 textbook is that's being used in the classroom, there  
25 may not be... The publishers may not be converting

2 that older version of the textbooks to an online  
3 version. They may be only converting the newer  
4 versions or the newer published versions of that  
5 textbook online. So as long as our students and our  
6 faculty depend upon the older versions to keep costs  
7 down for our students, that version may only be in  
8 the traditional hardcover version that we see today.  
9 And, therefore, the importance of a fire like this  
10 where students can buy used textbooks online at lower  
11 costs right now supports that demand in our classes.

12 COUNCIL MEMBER WILLIAMS: All right,  
13 thank you, Madam Chair.

14 CHAIRPERSON BARRON: Okay, we know that  
15 this is a society that's based on maximizing profits.  
16 So those of use who think that this is an important  
17 issues, we've got to first of all make that reality,  
18 embrace that reality, and see how it is that we can  
19 move from that. They're not going to do it  
20 willingly. No one wants to give up their profits  
21 especially large profits with the monopoly that they  
22 have. So we've got to really keep that in the  
23 forefront as we talk about how we can make it  
24 beneficial for students to be able to embrace the

2 ability to get it at a reasonable cost. At a  
3 reasonable cost.

4 I do have other questions, but I'm going  
5 to move to-- I'm going to come back, but I'm going  
6 to move to Council Member Gibson, followed by-- Oh,  
7 I want to announce that we've been joined by also our  
8 new colleague, the former Chair of the Higher Ed  
9 [sic] Committee as well. So, I wanted to acknowledge  
10 him as well. I'm going to call Council Member Gibson  
11 followed by Cabrera. And if Council Member Rodriguez  
12 has any questions, we'll call on him as well.

13 COUNCIL MEMBER GIBSON: Thank you, Madam  
14 Chair, and good afternoon to all of you. Thank you  
15 for your presence and your testimony. So I just had  
16 two quick questions that I wanted to ask. When I was  
17 a student at CUNY I guess in addition to textbooks  
18 just virtually being very expensive, the greatest  
19 challenge I found was moving from class to class,  
20 semester to semester. The newer editions really  
21 bothered me because they were more expensive. Not  
22 necessarily a requirement that was almost forced upon  
23 students.

24 So I guess keeping line with the Higher  
25 Education Act, what is it that CUNY is looking to do?

2 What have you been doing working with professors as  
3 they're developing their curriculum, and the textbook  
4 requirements. To see if the newer editions are  
5 really required, highly suggested, or are we able to  
6 use some of the current textbooks? Because I think  
7 in addition to just textbooks overall, the newer  
8 editions are even more of a problem for me.

9 CURTIS KENDRICK: That's a terrific point  
10 because often there will be very minimal changes from  
11 edition to edition. And not to totally beat up on  
12 publishers, but they have very extensive sales reps  
13 that go around, and they'll meet with faculty. And  
14 they will try to get them to adopt the newest  
15 edition. Really, there is no ultimate reason for it.  
16 One of the things that adopting a newer edition does  
17 is that it often will kill the used book market. If  
18 students feel that they have to have the most up-to-  
19 date edition, then what previously had been  
20 delineated by edition 3, may not be by edition 4.  
21 And all those old copies of edition 3 are pretty much  
22 wasted.

23 I think that there is more that CUNY can  
24 do in this regard. And as you had indicated, it  
25 comes down to we're trying to educate faculty about

2 this issue. I have a meeting tomorrow with the Chief  
3 Academic Officers of the University, and I'll  
4 certainly bring this to their attention. And I will  
5 ask if they could redouble their efforts let their  
6 faculty know that. And I will try to incentivize  
7 them to the issue of not necessarily a knee-jerk, but  
8 adopting the newer editions.

9 COUNCIL MEMBER GIBSON: And especially,  
10 as you said, if the newer edition has very little  
11 change, then why is it required?

12 CURTIS KENDRICK: Yes, right.

13 COUNCIL MEMBER GIBSON: I can understand  
14 if the edition was totally different. That makes  
15 sense, but what I found when I was at CUNY is that  
16 most of the new editions there was maybe a chapter  
17 that was different. And so it's a real burden for  
18 students who are forced to buy these newer editions.

19 CURTIS KENDRICK: Yeah, and it's not even  
20 a chapter. It might like three graphics that  
21 changed, and really how much is eligible changed in  
22 like 300 years or a thousand years.

23 MATTHEW SAPIENZA: You what, Council  
24 Member Gibson, I had the same frustration when I was  
25 a student that you had to buy a new textbooks. And



2 like Curtis said maybe they changed a couple of  
3 graphs in the book. And when I got to CUNY, and I  
4 was speaking to several faculty members about this.  
5 And they were raising the same point that Curtis did,  
6 which is I thought that was being driven by the  
7 faculty member saying, Oh, I want to change a graph  
8 in this textbook. So I need the publisher to put a  
9 new edition. But often times, it's the publishing  
10 company that will say to the faculty member, we're  
11 not printing edition 3 any more. So you're going to  
12 have to give us a new edition in order for us to put  
13 this textbook for you to use for your class. So,  
14 it's not always the faculty member that's driving  
15 that. It's just a point I wanted to underscore.

16 COUNCIL MEMBER GIBSON: Well, I guess  
17 that just echoes a sentiments of Council Member  
18 Williams in terms of what we can collectively do to  
19 try to have this conversation. A lot of this is  
20 really about balance. And there is always going to  
21 be an industry for textbooks, and the creation of  
22 textbooks. But now that we're more technologically  
23 savvy, and moving into a new market of online and  
24 rental, we have to be cognizant of that industry.  
25 But also ways in which we loosen a lot of those

2 restrictions, and to get the mindset to change.

3 Because year after year I mean there are less  
4 students that are in college because of this, and we  
5 don't want that to be the case.

6           And I guess my second question goes to  
7 the President. I've heard you testify before. What  
8 would you say in terms of the students that are at  
9 CUNY that facing a lot of financial challenges. They  
10 find themselves homeless. The textbook factor I'm  
11 sure is a huge part of that because many of them are  
12 full-time parents, and they're working, et cetera.  
13 Given the fact that we've talked a lot about what  
14 CUNY is doing. And some of the innovative ways we're  
15 trying to have partnerships online and other options,  
16 what is that you think that we can do to prevent a  
17 lot of those instances where students find themselves  
18 homeless? And what can we do to keep them in the  
19 system so that they don't find themselves in that  
20 situation. Because I know from personal knowledge in  
21 my district in the Bronx, I have a number of students  
22 that became homeless while they were at CUNY. Not  
23 pretty.

24

25

2 MUHAMMAD ARSHAD: No, definitely not.  
3 Not pretty at all. I think just off the top of my  
4 head what we can do--

5 COUNCIL MEMBER GIBSON: Oh, use the mic?

6 MUHAMMAD ARSHAD: What we can do at the  
7 local level is making sure that they have resources  
8 and advising. That goes a long way. Not just about  
9 courses, but also that can help them in their  
10 education. But also challenges that are happening  
11 outside of courses. In terms of books, throughout my  
12 undergrad and grad, I only bought one book that I  
13 paid for. But the culture in my courses and in my  
14 programs when I was there, we shared a book. Every  
15 student chipped in and we bought a book, and we  
16 shared the book. I mean these are kind of like ways  
17 that we as a student find to not have to buy like a  
18 \$300 textbook. But in terms of if we want to  
19 institute a proposal in regard to textbooks, we can  
20 have these pilots with new technology.

21 That we can have content available to a  
22 large amount of students with minimum cost. When  
23 they are outside of textbook, we can provide services  
24 that can ensure that as a student it will feel great  
25 if I find that somebody on campus cares about what's

2 going on with me outside of classes. So I think  
3 that's to your point that if we can slightly-- It's  
4 not going to be that quick of changing the culture on  
5 an individual level and providing services and making  
6 sure that we enough advisors and stuff like that that  
7 can mentor or help our students. And make sure that  
8 if they are at that tipping point. Or even identify  
9 those students before they are at the tipping point.

10 If you see that the professor has made a  
11 recommendation of a student identify themselves as  
12 I'm at that point. And I had a lot of those students  
13 come to me saying that I'm at that point where-- I  
14 wrote recommendation letters for those students to  
15 have them qualify for emergency grants. A couple of  
16 our campuses offer those emergency grants. So if you  
17 are at that point, you can apply for that grant. And  
18 so, we can help you throughout the semester and stuff  
19 like that. I think strengthening and introducing  
20 that kind of proposal. And then making sure that our  
21 students are aware that we have those kinds of  
22 proposals and those kind of services. So they don't  
23 just leave, and then drop out of campus, or out of  
24 classes and they just go by the wayside. [sic]

2 COUNCIL MEMBER GIBSON: Okay. All right,  
3 thank you, and Madam Chair, I definitely would like  
4 to continue to have conversations around homeless  
5 students at CUNY. I think it's something that we  
6 know is there, and I would love to just have more  
7 conversations. One book in undergrad and grad. I  
8 wish you and I were at CUNY together. I could have  
9 saved a lot of money. Thank you again. Thank you,  
10 Madam Chair.

11 CHAIRPERSON BARRON: Thank you. Before I  
12 go to the next council member, Mr. Sapienza, you said  
13 that publishers go to the authors and tell them we're  
14 not going to republish-- We're not going to continue  
15 publishing the current edition?

16 MATTHEW SAPIENZA: Right. What I've been  
17 told by several members at the university is that  
18 often times publishers will tell them we're no longer  
19 going to be printing the 3rd edition. So you're  
20 going to have to give us a new edition because we're  
21 going to have to establish a 4th edition.

22 CHAIRPERSON BARRON: Based on?

23 MATTHEW SAPIENZA: I think it might go  
24 back to what we said before that publishers are  
25 interested in maximizing profits.

2 CHAIRPERSON BARRON: I had always thought  
3 it was the author who wanted to have the new edition,  
4 and went to the publisher and said listen, I really  
5 need to change this sentence over here on page--

6 MATTHEW SAPIENZA: [interposing] Right.

7 CHAIRPERSON BARRON: --94. So I need a  
8 new edition.

9 MATTHEW SAPIENZA: That certainly  
10 happens, and I like you thought that that was the  
11 only time that that happens. But the faculty have  
12 informed me that more often than not, it's the  
13 publishing company that encourages them to come up  
14 with a new one. Or tells them they're not printing  
15 out the older edition.

16 CHAIRPERSON BARRON: Okay, thank you.  
17 We're going to move now to Council Member Cabrera.

18 COUNCIL MEMBER CABRERA: Thank you so  
19 much, Madam Chair, and I apologize. I didn't get to  
20 hear your opening statement. But Council Member  
21 Rodriguez and myself we were at-- Well, I guess I  
22 started speaking without-- [sic]

23 CHAIRPERSON BARRON: [interposing] Don't  
24 take it personal. Don't take it personal. This  
25 isn't a class.

2 COUNCIL MEMBER CABRERA: Thank you for  
3 the proof? [sic] I'm just kidding.

4 CHAIRPERSON BARRON: We thank you for  
5 coming. We hope that it was instructive for you.  
6 Thank you.

7 COUNCIL MEMBER CABRERA: You're welcome.  
8 But we were at the Executive Order that the Mayor was  
9 putting forth for the living wage. But first, I want  
10 to thank CUNY for giving me my first shot at being a  
11 college professor. You certainly saw to that, you  
12 know, giving me enough experience. If you go for a  
13 job, they always ask if you have experience? And so  
14 they saw that I was able to be a college professor  
15 full time for 12 years of employment and director.  
16 So I am very familiar with this subject matter. I  
17 want to say what Madam Chair just shared. I do think  
18 it would be an altruistic move then would be for the  
19 professors to-- all of the professors to then-- to  
20 join the Open Source and maybe have some kind of a  
21 business plan for them.

22 Obviously, they've invested time and  
23 effort, and from what I heard earlier, CUNY is  
24 investing in the college professors to be able to  
25 have extra time. And I don't know if there is a

2 stipend given for them to write books. But anyway, I  
3 think this would be-- being CUNY the largest higher  
4 education-- Probably the higher education solution  
5 in the nation, this will send a huge message to those  
6 who have been trying-- Not trying. They have a  
7 monopoly, and for many years. I mean the prices are  
8 just broad. I mean it used to pain-- it was painful  
9 for me to tell the students just how much it was  
10 going to be.

11 But I will speak to it. I don't know if  
12 there is anybody here from Professors Union, but at  
13 point it's really going to boil down to the  
14 professors. I mean as an institution I would imagine  
15 that we don't have the power to demand that. I think  
16 it will be the altruistic thing to do. It would be  
17 for the professors to say, enough is enough. I mean,  
18 the cost of those books is really very minimal  
19 actually to make. It just doesn't cost a whole lot.

20 Let me ask you. I have a couple of  
21 questions. One is do you encourage the students to  
22 buy the international version of those textbooks?  
23 Because a lot of them are like half price compared.  
24 The only difference is, and this will shock you, is  
25 that it's black and white versus color. And I don't



2 think we need color in order to learn a lot. Algebra  
3 is algebra, you know.

4 MATTHEW SAPIENZA: I don't know if we've  
5 looked at that, but it's something that we appreciate  
6 the suggestion and we'll look into it.

7 COUNCIL MEMBER: [off mic] You need to  
8 turn on your mic.

9 MATTHEW SAPIENZA: I'm sorry. I don't  
10 believe that that's something that we've looked at,  
11 but we will.

12 COUNCIL MEMBER CABRERA: It might be  
13 something to add. By the way, this is very nicely  
14 put together. This is a lot of time and effort from  
15 the students especially for the freshman class. But  
16 if you could look into that because that's a  
17 substantial cost savings, and in the latter years as  
18 a professor I was getting the international version.  
19 It's a lot cheaper. What percentage of professors  
20 are using textbooks that they publish?

21 [background discussion]

22 CURTIS KENDRICK: Yeah, I don't have a  
23 number for you, but very few faculty write textbooks.

24 COUNCIL MEMBER CABRERA: Oh. So if very  
25 few-- All right, so-- Well, this could go two ways.

2 So if very few of them write them, so there is very  
3 little incentive on their part to direct them one way  
4 or the other. I could see if somebody writes their  
5 own book, you know, the incentive is to -- a  
6 financial incentive. Not this one, and I get it.  
7 But is there any way for CUNY to incentivize them  
8 writing their own. Or, having an article. There are  
9 so many published articles nowadays. You could  
10 technically put a book together, you know, chapters  
11 and put it in the Open Source for the students to  
12 have them. Again, calculus is calculus. All that  
13 stuff is already out there, and I come from the  
14 counseling field. Information is out there. As a  
15 matter of fact, by the time this stuff gets  
16 published, a lot of that stuff will be even outdated.  
17 And so the latest research and for the professors to  
18 be able to identify articles that we want to have the  
19 students to read. I would imagine in English, you  
20 know, the English lit. I mean a lot of the stuff is  
21 before copyrighted. You know, the Pearl, the book  
22 the Pearl or anything like that. Just before, you  
23 know, the copyrights can intervene that they just  
24 lead students to the Open Source, and it would just  
25 be a lot more inexpensive for them to do.

2 CURTIS KENDRICK: That's what we're  
3 hoping to do is to provide, you know, an incentive  
4 for faculty to really convert their courses to using  
5 the material that is open. So that students don't  
6 have to pay, and they use material that is open and  
7 available at no cost to students.

8 COUNCIL MEMBER CABRERA: And how long is  
9 that going to take before you see that  
10 transformation, that shift taking place?

11 CURTIS KENDRICK: Well, if we can get the  
12 funding for this program, we hope to see a conversion  
13 really starting. From the time we get the funding we  
14 begin to see, you know, effects almost immediately.

15 COUNCIL MEMBER CABRERA: How much funding  
16 are you talking about because maybe this is something  
17 that the City Council could pick up for next year.

18 CURTIS KENDRICK: That would be a  
19 wonderful thing. We would like a million dollars.

20 COUNCIL MEMBER CABRERA: A million  
21 dollars?

22 CURTIS KENDRICK: Yes.

23 COUNCIL MEMBER CABRERA: So a million  
24 dollars, what would a million dollars at the end of  
25 next year, what would that get us?

2 CURTIS KENDRICK: That would save our  
3 students about \$6 million.

4 COUNCIL MEMBER CABRERA: Oh, Madam Chair,  
5 I don't know if you had an opportunity to hear what  
6 he just said, but would a million dollars, I'm just  
7 being told. Would a million dollars that maybe the  
8 City Council could pick up next year, it could be an  
9 initiative it will save our students \$6 million worth  
10 of textbooks. Because it will be the funding  
11 necessary to have the material transferred to Open  
12 Source, which is by the way, it wouldn't be that we  
13 would need a million dollars every year so to speak.  
14 Because some of that stuff could last for a couple,  
15 two or three years. And that will cover pretty much  
16 all of the classes?

17 CURTIS KENDRICK: Oh, no, no. This is  
18 before the pilot project.

19 COUNCIL MEMBER CABRERA: Oh, pilot  
20 project. Okay.

21 MATTHEW SAPIENZA: And Council Member  
22 Cabrera, it's a million dollars over four years. So  
23 you're right, it's not a million dollars a year. The  
24 initial year would be about \$250,000 and then it  
25 would scale up, and then you're right, it would

2 eventually be reduced in terms of the annual amount.  
3 So it's a million dollars over four years

4 COUNCIL MEMBER CABRERA: I have to tell  
5 you that's peanuts for-- I think for the outcome. I  
6 think this will be a total win for our students to be  
7 able to get it online. They wouldn't have to feel  
8 guilty about going online and downloading. You know,  
9 some of them they're forced to download a pilot copy.  
10 That's what they do. That's what they do. Some of  
11 them feel forced to do that, and it just works  
12 against their conscience, but some of they forced to  
13 do so. I think that-- I would hope that would be  
14 something that we can pick up. I know that the  
15 Administration of CUNY has enough to contend with.  
16 I'm not asking CUNY to do this. I'm asking-- We're  
17 the ones that have the ones to do this.

18 And so I always get troubled when  
19 somebody says, How come you guys don't do that?  
20 Because we haven't given you the money to do it. We  
21 will. So really coming from us, from the state as  
22 well to be able to do something about that. My last  
23 question here that I was going-- You know what, I'm  
24 going to leave it like that because I think I hit the

2 major points that I wanted to hit. Madam Chair, I  
3 turn it back to you. Madam Chair, I just-- (laughs)

4 CHAIRPERSON BARRON: I'm trying to do  
5 multi-tasking. I apologize.

6 COUNCIL MEMBER CABRERA: But again,  
7 Madam, if I can accentuate this point that with a  
8 million dollars that will last four years--

9 CHAIRPERSON BARRON: But what I would  
10 like to know, I would like to get a concrete plan  
11 with a time table. How are we going to do it? One  
12 of the major concerns that I have is, is the faculty  
13 going to be prepared and trained to buy into this?  
14 What will be the obligation of faculty? How many  
15 academic areas will we impact? I know the response  
16 that we heard is that they will do the high volume  
17 classes first. And at the end of the four years, can  
18 we expect-- What can we expect in terms of a  
19 percentage of students. Whatever we can do to reduce  
20 the cost of textbooks I think is great, and should be  
21 an objective that we have. But I would like to  
22 exactly know what the million dollars will provide.  
23 So that we can know what percentage we're talking  
24 about that. Because we want to be able to do that.

2 MATTHEW SAPIENZA: Well, we'll send a  
3 formal proposal to you with a narrative that will  
4 describe the process, and the fee activities--

5 CHAIRPERSON BARRON: [interposing] Right.

6 MATTHEW SAPIENZA: --and as well as a  
7 budget proposal.

8 CHAIRPERSON BARRON: Right, and  
9 especially in terms of what it is that faculty would  
10 have to do. And I would like you to involve PSC or  
11 whatever faculty organizations that are a part of  
12 that. So that they are there from the outset because  
13 we know when they're not, it doesn't always go well.  
14 It doesn't always go smoothly. So, whatever that  
15 proposal is. As well as our students, the USS that  
16 could be a part of that process. Thank you.

17 MATTHEW SAPIENZA: Thank you.

18 CHAIRPERSON BARRON: Council Member  
19 Rodriguez, do you have questions?

20 COUNCIL MEMBER RODRIGUEZ: I have  
21 questions concerning-- As you know, this is like an  
22 important issue for all of us. I know that this was  
23 one of the topics that when Chad Marlow, one of the  
24 council members, he also held this hearing. They  
25 also hold this hearing, and now we also have a

2 hearing again. So in a matter of probably ten years,  
3 we've been discussing this issue like three times.  
4 And I think that what I would like to see is like a  
5 more descriptive plan from CUNY on what are the  
6 changes that CUNY has made in the last ten years.  
7 And what is the plan for the next 10 or 20 years. I  
8 believe that the affordability of the textbook is  
9 critical. You know, as someone that went to city  
10 college and doing those kind of things, I didn't have  
11 enough money. I had to make a decision between going  
12 and buying something at the cafeteria, food, or go  
13 and buy my books.

14 So I think that at least right now after  
15 12 years, the students also they will be allowed,  
16 especially at community college to get the public  
17 assistance. Something that wasn't recognized during  
18 Bloomberg. So I believe there is some other help  
19 that the students will have. But when I was looking  
20 at suggestions in this booklet on how a student can  
21 save money on the textbook, two recommendations. One  
22 is when it says the purchase of used books. I  
23 believe that CUNY should make the bookstore  
24 accountable on how much they pay for the used book to  
25 the student. Because I don't know. I cannot talk



2 about it right now, but I can tell you that they were  
3 paying pennies compared to the value of the book.  
4 And then when they resell those books, the difference  
5 was too much. So I just hope that CUNY can make a  
6 plan where the local bookstore that we have in the  
7 different libraries, they should not be allowed to  
8 pay nothing for the used book, and then resell it at  
9 an expensive price.

10           The second question is about in that  
11 direction, too. When we used to go on the Yemen-  
12 Morala Professor Koo Center [sic], we used to have a  
13 student exchange program, and we had hundreds of  
14 students enrolled in that exchange program run by the  
15 students for the students. So, if the USS Student  
16 Senate at CUNY and the student government if CUNY  
17 also can work on those initiatives support. You  
18 know, again through the student enrollment or  
19 whatever mechanism. So instead of when we get this  
20 money you said for the ACS Enterprise or other source  
21 of revenue where we are able to have some  
22 flexibility, I think that if you run a-- If you put  
23 together a student centered book exchange program I  
24 see based on my own experience, that more students

2 will benefit than just going and buying the used book  
3 through the bookstore.

4 MATTHEW SAPIENZA: Yeah, and that last  
5 point is a great one. That is something that we are  
6 exploring about having a university sponsored online  
7 book swap.

8 COUNCIL MEMBER RODRIGUEZ: Thank you.

9 CHAIRPERSON BARRON: Okay, thank you. I  
10 know we've kept you long enough here. Just a few  
11 more questions. In terms of the CUNY website, which  
12 is targeted at assisting students in finding out how  
13 they can reduce the cost of textbooks, we wanted to  
14 know how you vet the vendors. Because some of the  
15 vendors that were listed on that site on CUNY are in  
16 trouble with the Better Business Bureau. And one in  
17 particular doesn't even continue to provide free and  
18 open source books. I think it's called Flat World  
19 Knowledge, and it's listed on the CUNY site. So our  
20 concern is who is looking at this? Who is updating  
21 it? Who is removing those publishers who are not in  
22 good standing?

23 BRIAN COHEN: My office generally tries  
24 to vet this. We usually get the recommendations from  
25 various different sources. It could be students. It

2 could be faculty who are telling us that their  
3 students are using it. So we are using various  
4 different sources. We try to make sure that it is as  
5 up-to-date as possible. I did not know about Flat  
6 World Knowledge not be attestable. We will go have--  
7 Obviously, we need to go back and review this, which  
8 we do on a regular basis. But they do come from the--  
9 - the sources really come from people who tell us  
10 that this is where we've gone, and this is what we  
11 have used. We don't try to distinguish any  
12 favoritism or anything like that. We do it based  
13 upon word of mouth, and best practices from our  
14 students and faculty.

15 CHAIRPERSON BARRON: Okay, and the  
16 question about giving assistance to students in need,  
17 and I believe Professor Kendrick you referred to the  
18 fact that there are laptops and other equipment that  
19 are given students. Do we know what percentage of  
20 students are given laptops? Do you know how many  
21 laptops we give, and is it just for the-- What is  
22 the term of the use of the laptop? Is it just for  
23 the semester, and they return it? How does that  
24 work?

2 CURTIS KENDRICK: Well, I was referring  
3 to sort of the laptop and other equipment going from  
4 the libraries--

5 CHAIRPERSON BARRON: [interposing] Yes.

6 CURTIS KENDRICK: --and the term, you  
7 know, it varies depending on what the equipment is.  
8 And the different libraries have different loan  
9 periods. So generally speaking it's for a fairly  
10 short amount of time usually for several hours, or in  
11 some cases it might be for overnight.

12 CHAIRPERSON BARRON: Okay, thank you. I  
13 have other questions, but-- Oh, as we talk about the  
14 pilot program that you're talking about, your  
15 testimony said that you projected that it could save  
16 \$5.8 million benefitting the 52,500 undergraduate  
17 students. What are your plans for the \$5.8 million  
18 that you're saving? You're saying that it goes  
19 directly as a benefit that students are saving--

20 CURTIS KENDRICK: [interposing] Yes.

21 CHAIRPERSON BARRON: --or are you saying  
22 that there are other programs that would benefit the  
23 CUNY system?

24 CURTIS KENDRICK: No, no that's a direct  
25 service to the students?

2 CHAIRPERSON BARRON: [interposing] So  
3 it's in terms of these costs? [sic]

4 CURTIS KENDRICK: They're not able to buy  
5 textbooks.

6 CHAIRPERSON BARRON: Right. I just  
7 wanted to be clear. Thank you so much for sitting  
8 through this lengthy testimony. It's very important,  
9 very beneficial, very informative. And if you could  
10 get back to us with answers to the questions that we  
11 asked, we would be so appreciative. Thank you again.

12 MATTHEW SAPIENZA: Thank you.

13 [background discussion]

14 [Pause]

15 [background discussion]

16 CHAIRPERSON BARRON: Okay, we're going to  
17 call our next panel. We're going to have Richard  
18 Hershman, Nicole Allen, and Aileen Sheil. So if  
19 those persons are here if they would come forward and  
20 take a seat and I'll swear you in.

21 [Pause]

22 CHAIRPERSON BARRON: Good afternoon.  
23 Thank you for coming. If each of you would raise  
24 your right hand. I'd like to swear you in. Do you  
25 affirm to tell the truth, the whole truth, and

2 nothing but the truth in your testimony before this  
3 committee, and to respond honestly to Council Member  
4 questions?

5 PANEL: I do.

6 CHAIRPERSON BARRON: Thank you. You may  
7 begin. Please give your name.

8 [Pause]

9 RICHARD HERSHMAN: [off mic] Well, my  
10 name is Richard, and I'm Vice President of the--

11 CHAIRPERSON BARRON: [interposing] Is his  
12 mic on?

13 RICHARD HERSHMAN: --National Association  
14 of College.

15 [Pause]

16 RICHARD HERSHMAN: There we go. Okay.  
17 Chairman Barron, and members of the committee, on  
18 behalf of the National Association of College Stores,  
19 thank you for the opportunity to testify today. My  
20 name is Richard Hershman. I'm the Vice President of  
21 Government Relations for the National Association of  
22 College Stores. NACS is the professional trade  
23 association representing the collegiate and  
24 elementary and secondary bookstore community. When I  
25 last testified before this Committee, which was in

2 November 2010, we were on the cusp of transformation  
3 in college textbook affordability efforts. And I  
4 think you heard some of the changes that have  
5 occurred in the last few years with the first panel.

6           The Federal Higher Education Act was just  
7 taking effect at that time. It went into effect in  
8 July 2010 requiring disclosures by publishers and  
9 institutions in bundling [soc]of materials and  
10 collaboration among stakeholders. Several studies  
11 have found that since HEA took effect that it's been  
12 a pretty good successful story. There are some  
13 issues with the law, but overall it's been a positive  
14 for studies. And since it benefited from timely and  
15 dependable release of course material information,  
16 which is something the Government Accountability  
17 Officer of the Federal Government found last year in  
18 a study.

19           The good news is that student spending on  
20 required course materials has essentially remained  
21 flat to declining for the last six years. The  
22 average student today, according to student surveys,  
23 and according to our student survey that we do every  
24 semester, and other surveys. The average student was  
25 nationally spending about \$638 in the 2013-2014

2 school year, which is lower than it was in 2007 when  
3 students on average were spending about \$702. And  
4 that can vary significantly. You've heard earlier  
5 today citations of the College Board, and the College  
6 Board is tracking a different number of books and  
7 supplies that Financial Aid offices are trying to  
8 calculate. Which could include books, supplies,  
9 equipments, lab fees, course fees, software, and  
10 computer hardware. So there is a different number  
11 there, but within any average student there are very  
12 significant differences based on course load subject  
13 concentration.

14           Students today have far greater  
15 information, choice, and options than they did just  
16 five years ago in how to acquire and consume course  
17 materials. Faculty also have more affordable options  
18 to choose from including more affordable commercial  
19 materials as well as licensed materials. Most campus  
20 bookstores are providing students a choice between  
21 new, used, rental, and digital options. The first  
22 panel talked a lot about digital options. I would be  
23 happy to answer some of the questions that were asked  
24 earlier on that topic.



2 Costs for our inventory management  
3 systems are improving and software that helps bring  
4 greater immigration with institution course schedule,  
5 and registration systems resulting in more seamless  
6 and accurate information for students. New online  
7 store platforms, mobile apps, and kiosks are  
8 enhancing the student experience and choice. Tools  
9 that help faculty select appropriate materials also  
10 continue to improve. That was raised earlier in  
11 today's hearing.

12 For example, Faculty and Light, which is  
13 by Barnes and Noble is an online adopting website  
14 that allows faculty to research and select textbooks  
15 in one convenient place saving time and making the  
16 textbook adoption process easier. One of the things  
17 they provide is product reviews so faculty can see  
18 what other faculty are using materials, what they  
19 think of the materials. And most importantly they  
20 are being presented all the different price points  
21 and options out there. Not just from what the  
22 publishers are providing, but also what the  
23 marketplace is providing.

24 Low cost textbook rental programs, which  
25 were only about two dozen higher education

2 institution in 2008 are now at almost every  
3 institution of higher education and virtually every  
4 school here in New York City. Meanwhile, other  
5 efforts such as etextbooks, course packs, more cost  
6 conscious custom packaging, used books, open  
7 educational resources, and library reserves are all  
8 contributing to helping reduce some of the costs for  
9 students.

10           College stores are collaborating with  
11 libraries to eliminate institutions and students  
12 double paying for content that may already be  
13 available in the library while working with  
14 commercial publishers. And open educational resource  
15 developers on new initiatives to reduce costs without  
16 sacrificing quality. Earlier this year we announced  
17 the distribution partnership with Open Stax, which is  
18 the largest open educational resource textbook  
19 publisher in the U.S. It was founded out of Rice  
20 University. I think Allen [sic] may have mentioned  
21 some of that. Anyway, we worked in negotiation with  
22 them to help find ways to lower the cost of their  
23 print textbooks. So these are materials that are  
24 available for them online, but for students who  
25 prefer to have a print copy, or who would like have a

2 print copy along with the digital. It provides a low  
3 cost option for those students.

4           College stores are increasingly providing  
5 peer-to-peer marketplaces. We talked a little bit  
6 about that. Price match guarantees, online price  
7 comparison and shopping. For example the NYU  
8 Bookstore provide on their website a comparison  
9 shopping tool. It lets the student shop all the  
10 books, get pricing from NYU, various online rental  
11 sites, Amazon, Half.com, Barnes and Noble. And then  
12 they can make a decision on whoever they want to  
13 choose based on those prices. More than 400 campus  
14 bookstores in the country are using that type of  
15 service. And we just see that, and now we're  
16 continuing to grow as store are trying to provide  
17 more information for students, greater transparency  
18 throughout their pricing. And demonstrates to  
19 students that they're offering affordable,  
20 competitive prices. So, in fact, they are also  
21 adopting fewer required textbooks and being more cost  
22 sensitive in their selections.

23           I have just a few recommendations that  
24 would help strengthen some of the existing efforts to  
25 make course materials affordable. The first is

2 improve CUNY's textbook adoption platform, and there  
3 were some discussions of that earlier. By  
4 integrating it more with the campus bookstores'  
5 adoption systems that are far more robust and super  
6 rich, and backed by course material specialists on  
7 those campuses. That part of the textbook adoption  
8 process is likely to help faculty choose smarter--  
9 Make smarter decisions on which materials they're  
10 going to use. If they are just being asked to input  
11 information, that's not the kind of interaction you  
12 need to have an effective adoption. So if the  
13 professor puts in the 7th edition, the store is going  
14 to say, Do you need the 7th edition? Can the student  
15 still use the 6th edition? Could they use the 7th  
16 and the 6th edition.

17           There are a lot of conversations that  
18 occur on campuses between bookstore staff and  
19 faculty. Unfortunately, I think CUNY's approach to  
20 this is sort of taking the bookstore out of the  
21 equation. And as a result, it's helped-- I think  
22 led to what you reported earlier that this lack of  
23 adoptions being submitted, lack of information to  
24 help faculty make sure that they're submitting  
25 accurate information into the system. And that means

2 the cost of the of wording mistakes if they use bad  
3 information or inaccurate information to make a  
4 purchase online or from someone that they can't  
5 necessarily return a book to. So we think there is a  
6 lot of improvements that could be there through  
7 better coordination and collaboration.

8           Second, promote adherence to campus due  
9 dates. Your research I think says it all. There are  
10 a lot of challenges to getting faculty to identify  
11 the materials early. And certainly sometimes it's  
12 out of the faculty's control if they haven't been  
13 hired yet. So there are lot of efforts that need to  
14 go into making sure that we get more of that  
15 information in earlier. Because according to the  
16 Office of Higher Education, the Office of Higher Ed  
17 Study and several other studies the single greatest  
18 way to help lower costs is to get timely adoption  
19 submitted. It also has the benefit of helping  
20 students with print disabilities. And the Federal  
21 Advisory Commission on Accessible Instructional  
22 Materials and Post-Secondary Education for Students  
23 with Disabilities. That's a mouthful. That's why  
24 they are known as the AIM Commission. Found that a  
25 modest change of that could really help disability

2 support service offices find time to work together  
3 with bookstores, with publishers, with their students  
4 to come up with the different, the various  
5 accommodations to ensure that they have equal access.

6 Third, ensure textbook adoptions are  
7 verified for accuracy for posting. And I think you  
8 noted that there were some issues with information  
9 lacking or missing. And it's very important for  
10 students to have accurate information. And finally,  
11 establish campus bookstore textbook advisory  
12 committees where faculty, students, library and  
13 bookstore personnel work together on strategies to  
14 reduce costs. I was excited to hear that the CUNY  
15 system established this Textbook Affordability  
16 Committee. I didn't hear any bookstore  
17 representation on that committee. It is certainly  
18 one of the main recommendations coming out of all the  
19 different studies that have been done nationally and  
20 at the state level. That you have all of the key  
21 stakeholders involved in those kinds of discussions.  
22 So I hope CUNY continues that work, but I think they  
23 need to engage more with campus bookstores as they  
24 find solutions.

2           So, those are just a few. Financial aid  
3 is another one I'm happy to discuss. It's an area  
4 I've worked a lot on in trying to help students who  
5 can't necessarily afford their course materials. So  
6 I would be happy to answer any questions in that  
7 area. Thank you.

8           [Pause]

9           NICOLE ALLEN: May I go ahead? So, good  
10 afternoon, Madam Chairperson and members of the  
11 committee. I'm Nicole Allen, Director of Open  
12 Education for the Scholarly Publishing and Academic  
13 Resources Coalition, abbreviated SPARC, which is an  
14 alliance of academic and research libraries that  
15 works for a more open system for sharing information.  
16 And we actually have four members here in the city:  
17 Columbia, CUNY, NYU, and Rockefeller University. I  
18 also previously worked for the Student Public  
19 Interest Research Groups -- another that I have heard  
20 here [sic] --for six years focused on textbook  
21 affordability. But I actually became aware of the  
22 high cost of textbooks as a student myself the hard  
23 way with a \$400 bookstore bill my first semester of  
24 college. And that was actually 11 years ago. and  
25 since then textbook prices have nearly doubled

2 despite the enormous advances we have seen in today's  
3 technology. It has made our lives better. Textbook  
4 prices have gone in the opposite direction. It is  
5 true that today we do have ways for students to save  
6 money on textbooks through used books, and renting,  
7 and online shopping, through etextbooks, which offer  
8 digital versions for a period of time. But they come  
9 with expiration dates, and tend to be pretty  
10 expensive when you consider what they are. And all  
11 those options come with inherent limitations, and  
12 it's just not enough for today's students. As we've  
13 heard today already, there is study after study  
14 documenting that students aren't buying their  
15 textbooks or accepting lower quality versions, or  
16 trying to struggle through class with limited access  
17 to their book despite knowing full well that this  
18 could actually hurt their education. I actually  
19 think that this factor contributes to the drop in  
20 student spending on textbooks. Students aren't  
21 buying them.

22               So the truth is textbooks costs have  
23 escalated to a point where it's really created two  
24 classes of students: Those that can afford the  
25 materials they've been assigned, and those that



2 can't. And this is really an essential point that I  
3 encourage you to keep in mind throughout the  
4 remainder of the hearing that students can't learn  
5 from the materials they can't afford. And in today's  
6 world we really can and should be doing better. And  
7 that's where Open Educational Resources come in,  
8 which is where most of my work in this space focuses.

9           So as we've heard, Open Educational  
10 Resources, OER, include textbooks and other materials  
11 that are free of costs and access barriers. And  
12 also, open meaning that they carry the appropriate  
13 legal permissions to allow users to fully use, adapt,  
14 and share the material. The single permissions are  
15 typically granted through the use of an open  
16 intellectual property license that amends copyright.  
17 And one example of those licenses that's commonly  
18 used is Creative Commons.

19           So as Rich mentioned, we have heard a lot  
20 about digital textbooks today, which is a step in the  
21 right direction because today's technology gives us  
22 so much more ability to expand access and reduce  
23 costs. And even making materials free is better than  
24 that. But it's really the open part. The open  
25 licensing that unlocks the full potential of today's

2 technology and the Internet, and the advancements  
3 we've made in educational teaching practices to help  
4 students.

5           So the global movement for OER is more  
6 than ten years old, and spans a wide variety of media  
7 and levels of education. But since we're talking  
8 about textbooks here, open textbooks, as you know,  
9 the segment of OER that we talk about. And there are  
10 actually over 150 high quality open textbooks that  
11 are used across the country by hundreds of classes  
12 already. The savings seems about 80% on average. As  
13 Rich mentioned, one notable project is Open Stax  
14 College. All of their books are available right now  
15 to download for free, and can be in print for \$30 to  
16 \$50. Their college physics book is about \$50 is that  
17 thick, and costs about \$200 less than the leading  
18 textbook in that fields. The SUNY system also has an  
19 open textbook publishing project that's produced 22  
20 textbooks to date. And it's based of SUNY Genesio,  
21 and the library is very actively involved in that.

22           I would like to provide a couple of other  
23 examples of successful OER projects from outside the  
24 state. The Washington State Legislature funded a  
25 program a couple of years ago to outfit their

2 community college systems, ED1 largest enrollment  
3 courses with OER and other low cost materials. They  
4 realized that the state aid they were providing the  
5 students was actually getting spent on textbooks. And  
6 they were buying the same books over and over again  
7 because a lot of enrollments were concentrated in  
8 these courses. So they invested a small portion of  
9 that money to develop OER, and the project has saved  
10 students over \$8 million to date, about four times  
11 the state's cost of investment.

12 Another example is Tidewater Community  
13 College in Virginia, which developed a two-year  
14 business degree program, business administration  
15 degree program that uses OER in literally every  
16 course. So open textbooks and other materials. And  
17 it cost the cost of attaining a degree, that degree  
18 by a third. Imagine that. Imagine that at scale. I  
19 actually recently spoke with one of their students, a  
20 single mother who was literally able to put braces on  
21 her daughter with the money that she saved on  
22 textbooks. Now, imagine having to make that choice.  
23 That's what students today are going through.

24 So at Mercy College Upstate the  
25 Developmental Math faculty replaced \$170 textbook

2 package with an open alternative. The developmental  
3 math is a key gatekeeper course, notorious for low  
4 pass rates. And after the change to OER, the number  
5 of students passing with a C or better increased by  
6 12 percentage points. That's really remarkable. And  
7 it's likely because students could actually afford  
8 access to the materials that they were assigned to  
9 learn the course. So now more students are able to  
10 complete their degree, and fewer have to waste their  
11 own money and taxpayer money to keep repeating the  
12 course until they pass.

13           So these are just a few of many impactful  
14 OER initiatives, and I think the most important thing  
15 to take away from this is that the same materials  
16 that these projects use are available right now  
17 today. And can be used in courses here in the city.  
18 And that's really the power of OER is that any  
19 professor, college, business can freely use and build  
20 upon all of these materials, and actually customize  
21 them for local needs. And it does take some initial  
22 work and investment, and it's important to provide  
23 faculty and schools with the support that they need  
24 to actually do this. But the return on investment is  
25 enormous in terms of students' savings and the

2 learning outcomes. Especially when it's implemented  
3 at scale, and New York City is the place for scale.

4           So it sounds like SUNY or CUNY is off to  
5 an excellent start. And I really urge the committee  
6 to consider how it can provide resources and  
7 encouragement, and recognition to the city's  
8 institutions to leverage OER to achieve savings and  
9 equalized access to course materials to get rid of  
10 those two classes of students. And enable students  
11 to get their degrees faster and enter the workforce.  
12 And just on a final note, I really would be remiss if  
13 I did not mention briefly that the parallel space of  
14 K12 textbooks. And I realize this is not in your  
15 jurisdiction, but OER can be somewhat leveraged  
16 there. The State of Utah recently ran an Open  
17 Textbook pilot program that literally cut textbook  
18 costs in half, and gave every student a copy of the  
19 book that they could keep forever. Students perform  
20 the same standardized test. Now, imagine how you  
21 could do that, and the impact that that would have  
22 here in a city of this size. So in closing, I just  
23 want to say that this is an issue that I'm very  
24 passionate about, and have devoted eight years of my  
25 life to working on it. So I'm thrilled that you're

2 looking at this issue, and I look forward to the  
3 discussion after the panel. Thank you.

4 AILEEN SHEIL: My name is Aileen Sheil.  
5 I'm the Chairperson for the New York Public Interest  
6 Research Group. I guess one of who would be  
7 considered the student NYPIRGs. And I really  
8 appreciate the opportunity to share our perspective  
9 on textbooks with you. NYPIRG is the State's largest  
10 and directed non-partisan research and advocacy  
11 organization. Our board consists of college and  
12 university students, elected from the campuses with  
13 NYPIRG chapters across the state, nine of which are  
14 in CUNY.

15 When students begin their collegiate  
16 experience it is often hard to pay for it. And this  
17 is something that we as students face every single  
18 semester including those in the summer and the  
19 winter. Since the 1980s, there's been a shift in the  
20 burden of paying for public college from government  
21 to students and their families. The first evidence  
22 of that shift has been the drastic slashing in state  
23 dollars going to the public colleges, and the  
24 dramatic increases in tuition. The nation now has  
25 over \$1 trillion in outstanding college debt, and in

2 New York State a student attending college now has an  
3 average of over \$25,000. Adding to these costs had  
4 been the rapid increase in the price of textbooks.

5 Over the past decade, college textbooks  
6 price have increased by over 80% or at three times  
7 the rate of inflation. Textbooks are one of the  
8 largest out-of-pocket expenses for students trying to  
9 desperately afford college every year. According to  
10 the college board, as we've mentioned a few times,  
11 \$1,200 is the average on textbooks and supplies that  
12 students are spending each year. We recently  
13 conducted a survey of New York State college students  
14 at 17 campuses to see what the impact on increasing  
15 was having. We found that the percentage of students  
16 stating that they were considering not purchasing a  
17 prior textbook ranged from a low of 57% to a high of  
18 74%, which even that low is high. According to a  
19 national report released earlier this year, 65% of  
20 students said that they had decided against buying a  
21 textbook because it was too expensive as well.

22 Moreover, that report found that 94% of  
23 those who did not purchase a textbook were really  
24 concerned about how that would be affecting them  
25 academically. And I have seen in my own personal

2 experience being a CUNY student, what one would call  
3 a super senior now (laughs), seeing many people go  
4 through this. Has been a real struggle for them, and  
5 this isn't just words on a piece of paper. This is a  
6 real struggle that we're having to deal with. As my  
7 peer Muhammad had mentioned, we're not just students.  
8 You know, we're a part of the city as well, and have  
9 other responsibilities. And some of them resulted  
10 with having to pay for tuition and things like  
11 homelessness. So it's a real problem.

12           Open textbooks are faculty written and  
13 peer reviewed, and like traditional textbooks, but  
14 they are published under an open license, which has  
15 been discussed. And NYPIRG is in support of such  
16 initiatives. The Washington Open Course Library for  
17 example has developed course materials with the  
18 highest enrollment in Washington's community and  
19 technical colleges. And thus far have saved \$5.5  
20 million with this exemption [sic], including \$2.8  
21 million so far this semester.

22           So we support these types of initiatives,  
23 and we are extremely happy to hear that Vice-  
24 Chancellor Sapienza discuss educational resources  
25 today from CUNY, and we support his recommendation of



2 investing \$1 million over the next few years for  
3 their pilot project to provide open course materials.  
4 That will generate almost a \$6 million savings for  
5 students over that time period. And we encourage  
6 the City Council to do what they can in supporting  
7 them as well in this initiative in addition to the  
8 State. So thank you for providing us with this  
9 opportunity to share with us. Thank you.

10 CHAIRPERSON BARRON: Thank you so much  
11 for your testimony. I just have a few questions. In  
12 the testimony from Ms. Allen, Director of Open  
13 Education--

14 NICOLE ALLEN: [interposing] Yep.

15 CHAIRPERSON BARRON: --you reference the  
16 fact that the Tidewater Community College of Virginia  
17 has developed an entire business administration  
18 degree program that uses Open Text in every single  
19 course. Do you have any idea of how long it took for  
20 the program to transition over being completely text?

21 NICOLE ALLEN: So I think it was about a  
22 year to get to their pilot stage from the idea. Like  
23 the person who had the idea to full implementation of  
24 pilot courses. And really the key to their success  
25 was having a strong faculty champion because as you

2 know faculty are the people who decide textbooks.

3 And having it read from one of their own, is at least  
4 in my view what made that project so quick and  
5 successful.

6 CHAIRPERSON BARRON: And the other cite,  
7 the other reference that you make is mostly college--

8 NICOLE ALLEN: [interposing] Yes.

9 CHAIRPERSON BARRON: --be fully  
10 implemented with replacement costs receiving a 12%  
11 increase in the number of students passing with a C  
12 or better. So did faculty attribute that to the fact  
13 that they now actually have access to the text?  
14 Whereas, before they were perhaps not in possession  
15 of what materials would be needed?

16 NICOLE ALLEN: So you can never be sure  
17 of what caused an increase in student performance,  
18 but they suspect that it is, as you say, linked to  
19 the fact that all of the students in the class from  
20 day one had access to all of the materials that they  
21 needed to succeed in the course.

22 CHAIRPERSON BARRON: And, of course, you  
23 reference the fact that it's important that the  
24 licensing is validated, and that faculty understands  
25 that it's free, it's open, and every one can have

2 access to it. But that legal component is there in  
3 place as well. So I think that. I'm excited about  
4 the opportunities that CUNY may present to transition  
5 over to expanding the OERs, and have that ability for  
6 students to reduce the cost of their textbook. I'm  
7 glad to know that we have models that have been  
8 successful that we can refer to in terms of making  
9 sure that it work. And again, I think it's key that  
10 faculty-- that the faculty buys into this program.  
11 And that they are given the opportunity and the  
12 training and the time to be able to have the input in  
13 making it successful. Are there any other questions  
14 that you would like to ask, or information that you  
15 would like to share?

16 RICHARD HERSHMAN: One thing I thought  
17 might be of help or interest so it's certainly OER,  
18 Open Educational Resource materials is a good thing.  
19 And we're supporting it on a number of different  
20 levels. There is also a lot of piloting  
21 experimenting going on with commercial textbooks and  
22 how to deliver them at a lower cost. So there are  
23 pilots and initiatives going on now at University of  
24 California Davis, University of Minnesota to find  
25 easy to lower the commercial publisher's textbook

2 costs through some licensing and fee type models. And  
3 there are different ways to approach this, and there  
4 are some different challenges and certainly some  
5 risk. But some of these pilots are exploring ways to  
6 provide more digital options for students. Ensure  
7 all students have the materials.

8           And to find ways for publishers to offer  
9 lower options for negotiations with the bookstore,  
10 the publisher, the institution, the faculty. So  
11 there is a lot of experimenting going on both in the  
12 open space, in the commercial space. There are a lot  
13 of evolving business models. No one is quite sure  
14 how it's going to shake out, but there is a lot of  
15 experimentation going on. And we are watching these  
16 pilots very closely to see which ones may be working.  
17 Which ones are not, and how to scale up successful  
18 pilots. And that's how we looked at textbook rental  
19 programs. Because they have been around for a long  
20 time. Some schools have been doing rental programs  
21 for over 100 years. But how do you scale that up to  
22 more institutions considering some of the costs and  
23 barriers. So there is a lot of experimenting going  
24 on, and we're hopeful that we're going to continue to

2 see some positive things come out of those  
3 experiments.

4           The other thing there were a lot of  
5 questions about how many titles are available  
6 digitally. And for NYU, for example, this fall they  
7 have 6,800 titles for New York University. The store  
8 has 900 digital titles available. Now where this  
9 gets a little confusing is that in the core subject  
10 area you've got to understand what kinds of materials  
11 are being used in higher education. It's a very  
12 broad group of materials. It's textbooks. It's what  
13 we call in the industry trade materials. So those  
14 could be classic literature. It could be a novel.  
15 It could be a title that's more designed for the  
16 general population. Those titles tend to be a lot  
17 cheaper, but they also so far haven't moved  
18 completely to digital yet.

19           So while the textbook publishers have  
20 been moving quickly into digital, and within those  
21 900 titles those may represent the bulk of the  
22 introductory courses. In high enrollment courses we  
23 may be seeing more digital. But overall because of  
24 the expansiveness of the curriculum in higher  
25 education, and the number of sheer titles that we're

2 dealing with-- I mean I think there was a comment  
3 on how many titles CUNY has in the entire system. It  
4 still represents a relatively small number of titles  
5 to be able to be offered digitally. But that's  
6 evolving very quickly. But thank you.

7 CHAIRPERSON BARRON: So what percentage  
8 would you say that is? Do you have an idea?

9 RICHARD HERSHMAN: That I was trying to  
10 get for you before this hearing. I was talking to  
11 the Book Industry Study Group. I thin that within  
12 the textbook side of the industry I think McGraw-Hill  
13 claims that they have I think 98% of their titles in  
14 digital format. But the other thing to remember  
15 here, too, is what we're talking about digitally.  
16 Right now, the bulk of what's available in digital  
17 ebooks are essentially pdf versions of the print  
18 textbook. They might be wrapped around a different  
19 kind of reading interface, but they're basically  
20 conversions of what was in the print it's very  
21 comparable in looks in appearance. Where the  
22 industry is heading, where the publishers are heading  
23 is to much software based, Cloud based learning tools  
24 that are more interactive sort of textbook 2.0. And  
25 we're also seeing some folks in the OER community who

2 are trying to develop some of those types of products  
3 that are more interactive for students. More  
4 interactive assessments and things like that.

5 CHAIRPERSON BARRON: Interesting.

6 RICHARD HERSHMAN: Again, we're seeing an  
7 evolution of the business models. We're seeing an  
8 evolution of content, and it's a pretty exciting  
9 interesting time right now.

10 [Pause]

11 CHAIRPERSON BARRON: Okay. So for  
12 McGraw-Hill for example, what percentage of those  
13 textbooks are digital? Do you know?

14 RICHARD HERSHMAN: I would have to check  
15 with them. I think they said it was around 98% or  
16 something.

17 CHAIRPERSON BARRON: 98% on digital.

18 RICHARD HERSHMAN: And remember, we're  
19 talking about the textbook side of the business.

20 CHAIRPERSON BARRON: Right, textbook.

21 RICHARD HERSHMAN: There are some--  
22 there are questions about academic presses. Academic  
23 presses do provide a lot of titles in higher  
24 education for a lot of the small kind of subjects  
25 that are taught. A lot of those titles haven't yet

2 shifted to digital. Though some university presses  
3 are.

4 CHAIRPERSON BARRON: And what share of  
5 the market does McGraw-Hill have in terms of  
6 textbooks?

7 RICHARD HERSHMAN: There are three major  
8 large publishers that control the bulk of the  
9 industry. McGraw-Hill, Pearson, and Cengage. I  
10 don't know how they're split up these days. One of  
11 the things about digital is that students today are  
12 still not moving towards digital. Student  
13 preferences in survey after survey whether it's the  
14 Book Industry Study Group Survey, our Student Watch  
15 Survey, or other surveys are still showing students  
16 have a general preference for print. They prefer the  
17 format. All things being equal they would like to  
18 have both, and that's evolving. You know, the  
19 numbers of students who prefer digital keeps going up  
20 a little bit every year. But there are a lot of  
21 different dynamics there as to why students still  
22 prefer generally print, and still see the value of  
23 print and the lower cost in print that print offers  
24 in the marketplace so.



2 CHAIRPERSON BARRON: I know why I prefer  
3 print. You know, it's a whole association with that  
4 age group. That's what we grew up with, but I'm  
5 surprised to know that students in a large number  
6 prefer print to digital.

7 RICHARD HERSHMAN: I think some folks  
8 assume that students are more-- They want to live  
9 digitally all the time. And you've got a room full  
10 of students. S o, I mean you could ask any of them.  
11 But from what our research shows, students still  
12 generally prefer the interaction with the print book  
13 with the ability to highlight in that way versus the  
14 online.

15 CHAIRPERSON BARRON: But can't you  
16 highlight in the digital format?

17 RICHARD HERSHMAN: Yes, you can. But  
18 again, it's, you know, screen sized limitations,  
19 Internet access issues. It's a different kind of  
20 interaction with learning materials. And there's a  
21 lot of research going on into how students learn  
22 digitally versus print.

23 CHAIRPERSON BARRON: Yes. I've been  
24 reading about the difference in the learning patterns  
25 when students learn digitally as opposed to the

2 print. It's very interesting what they're coming up  
3 with in those fields.

4 RICHARD HERSHMAN: So, you know, the  
5 devices have really helped move that along. Tablets.  
6 Tablet computers have made it a lot easier than--  
7 But the primary device that students use today for  
8 reading ebooks is a laptop more than tablets. So  
9 it's an evolving marketplace. Evolving ways being  
10 served consuming content.

11 CHAIRPERSON BARRON: Yes, certainly.

12 AILEEN SHEIL: And for that respect  
13 having materials to be available to be read online  
14 when for example like we're on the train and going  
15 from class to home to class. But then often times be  
16 able to print those materials as well as beneficial  
17 for class. Because often times you weren't allowed  
18 to have your phone or computer out in class. So  
19 there is satisfying feeling for being able to  
20 highlight your work (laughs) or you might take notes  
21 on it and such. So having both of that I believe is  
22 preferable from my own experience as a student  
23 anyway. [siren]

24 CHAIRPERSON BARRON: Yes.

2 NICOLE ALLEN: And then just two things  
3 on that. So that is one of the reasons that OER that  
4 OER is really the ideal model because it allows  
5 students to choose the mode in which they want to use  
6 the material. They can get a low cost print copy and  
7 then access it free online, as opposed to buying a  
8 \$250 print textbook, and then another \$125 ebook to  
9 go along with it. So that and then also I wanted to  
10 just make the point that K-12 education is still very  
11 print based. And I think that that is one of the  
12 main reasons that students today tend to be more  
13 print oriented. Because it's how they learned how to  
14 learn.

15 CHAIRPERSON BARRON: It's everything.  
16 Yes.

17 NICOLE ALLEN: And that's shifting, and  
18 as we see that shift, higher education is going to  
19 shift, too. And I think nobody can recall or predict  
20 how quickly that's going to happen, and what factors  
21 are going to drive that. And that's why it's so  
22 important to have the flexibility of formats and  
23 models that can really support that.

24 CHAIRPERSON BARRON: Great. Okay. Thank  
25 you so much for your testimony. We do appreciate it.

2 There being no further panels called, and no further  
3 persons wishing to provide testimony, we are  
4 concluding this hearing on textbooks. Thank you.

5 [gavel]

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date October 2, 2014