

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 3259

To amend the Higher Education Act of 1965 to establish a demonstration program to support college and university communities that wish to expand their book store services and savings for students through the creation of course material rental programs.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 12, 2005

Mr. RYAN of Ohio introduced the following bill; which was referred to the Committee on Education and the Workforce

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## A BILL

To amend the Higher Education Act of 1965 to establish a demonstration program to support college and university communities that wish to expand their book store services and savings for students through the creation of course material rental programs.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Affordable Books for  
5 College Act”.

1 **SEC. 2. ESTABLISHMENT OF BOOKSTORE COURSE MATE-**  
2 **RIAL RENTAL PROGRAM.**

3 Title VII of the Higher Education Act of 1965 (20  
4 U.S.C. 1133 et seq.) is amended by adding at the end  
5 the following:

6 **“PART E—COLLEGE BOOKSTORE RENTAL**  
7 **EXPANSION PROGRAM**

8 **“SEC. 771. LOANS AUTHORIZED.**

9 “(a) IN GENERAL.—

10 “(1) AUTHORIZATION.—From the amounts ap-  
11 propriated pursuant to subsection (h), the Secretary  
12 shall make loans on a competitive basis to not more  
13 than 50 eligible entities to support programs that  
14 expand the services of bookstores to provide the op-  
15 tion for students to rent course materials in order  
16 to achieve savings for students.

17 “(2) GRANT PROGRAM.—The Secretary shall  
18 award grants to eligible entities to enable such enti-  
19 ties to conduct, prior to submitting an application  
20 under subsection (c), a feasibility study to determine  
21 whether a program described in paragraph (1) would  
22 be effective at the school served by the entity. The  
23 maximum amount of a grant made pursuant to this  
24 subsection shall be \$25,000.

25 “(3) MODELS FOR BEST PRACTICES.—Not less  
26 often than once every 2 years, the Secretary shall

1 compile and make publicly available a document that  
2 contains potential models and best practices for the  
3 use of entities carrying out college textbook rental  
4 programs.

5 “(b) ALLOCATION OF FUNDS.—

6 “(1) PUBLIC COMMENT PERIOD.—In promul-  
7 gating regulations to carry out the provision relating  
8 to the application procedures under subsection (c),  
9 the Secretary shall provide for a public comment pe-  
10 riod for outside groups to review and comment on  
11 such procedures before they are finalized by the Sec-  
12 retary.

13 “(2) MAXIMUM AMOUNT.—The maximum  
14 amount of a loan made pursuant to this section shall  
15 be \$2,500,000. The maximum amount for all loans  
16 made pursuant to this section shall be \$50,000,000.

17 “(c) APPLICATION.—An eligible entity that desires to  
18 obtain a loan under this part shall submit an application  
19 to the Secretary at such time, in such form, and con-  
20 taining or accompanied by such information, agreements,  
21 and assurances as the Secretary may reasonably require.

22 “(d) USE OF FUNDS.—The funds made available by  
23 a loan under this part may be used for—

24 “(1) purchase of course materials that the enti-  
25 ty will make available by rent to students;

1           “(2) any equipment or software necessary for  
2 the conduct of a rental program;

3           “(3) hiring staff needed for the conduct of a  
4 rental program, with priority given to hiring enrolled  
5 undergraduate students; and

6           “(4) building or acquiring extra storage space  
7 dedicated to course materials for rent.

8           “(e) AMOUNT AND TERMS OF LOANS.—The Sec-  
9 retary shall prescribe the terms and conditions of the loans  
10 under this part, except that the interest rate shall be equal  
11 to the rate applicable to funds borrowed by the Secretary  
12 from the Treasury to carry out the demonstration pro-  
13 gram under this part.

14           “(f) ELIGIBLE ENTITY.—To be eligible to receive a  
15 loan under this section, an entity shall be—

16           “(1)(A) an institution of higher education; or

17           “(B) a campus or local nonprofit or for-profit  
18 bookstore, a bookstore cooperative, or an auxiliary  
19 service unit; and

20           “(2) if the entity is an entity described in para-  
21 graph (1)(B), recognized by an institution of higher  
22 education as effectively delivering course materials  
23 to undergraduate college students.

24           “(g) STUDY.—Not later than September 30, 2010,  
25 the Secretary shall conduct a study on the savings

1 achieved by students who participate in college textbook  
2 rental programs.

3       “(h) AUTHORIZATION OF APPROPRIATIONS.—There  
4 are authorized to be appropriated to carry out this part  
5 such sums as may be necessary for fiscal year 2006 and  
6 each of the 5 succeeding fiscal years.”.

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