June 12, 2024

The Honorable Miguel Cardona Secretary U.S. Department of Education 400 Maryland Ave., SW Washington, DC 20202

## Dear Secretary Cardona:

The undersigned organizations representing a broad coalition of student, taxpayer, anti-monopoly, and civil rights groups write to express our strong support for the Department of Education's efforts to stop automatic textbook billing, a questionable practice promoted by commercial textbook publishers to force the purchase of their products onto a captive market. The Department's proposed changes to 34 CFR § 668.164(c) would give college students the right to "opt in" to textbook charges, rather than being billed without their permission. This consumer-friendly change would put the decision to use federal financial aid dollars on books and supplies in the hands of students themselves, rather than institutions, bookstores, or textbook publishers. It would also help students shop around for the lowest prices, while increasing healthy competition in the marketplace.

Despite overwhelming <u>support</u> for your efforts to put students' needs first, the commercial textbook industry has mounted an intensive campaign to reverse your Department's policy-driven decision and get President Biden to back down. Textbook companies have been spreading misleading claims designed to obscure the problems with automatic textbook billing in an effort to preserve their ability to unfairly profit from students. These arguments have already been debunked by <u>memos</u> submitted during the negotiated rulemaking process. For example, some companies have threatened to withhold discounts if deprived of the ability to automatically bill students, despite <u>evidence</u> that many of these discounts are deceptive in the first place. Others have said an opt-in policy may reduce "savings," when many of these programs actually charge substantially more than the average student currently <u>spends</u>.

We encourage the Department and President Biden to stand by their commitment to crack down on automatic textbook billing at a time when students are struggling to stretch their financial aid dollars as far as possible. It is important to listen to the voices of college students who both want and deserve the right to control their own financial decisions, rather than catering to a textbook industry that seeks to force students to pay.

We urge both the Department and the White House to move forward with the proposed update to Cash Management without delay to ensure students can benefit from this policy next year.

Sincerely,

American Economic Liberties Project

Center for American Progress

New America Higher Education Policy Program

SPARC (Scholarly Publishing and Academic Resources Coalition)

**Student Borrower Protection Center** 

Student PIRGs

UnidosUS

U.S. PIRG Education Fund

**Veterans Education Success** 

Young Invincibles

CC: Neera Tanden, Director, U.S. Domestic Policy Council