

# SENATE BILL No. 560

October 4, 1989, Introduced by Senator SEDERBURG and referred to the Committee on Education and Mental Health.

A bill to amend section 1431 of Act No. 451 of the Public Acts of 1976, entitled as amended

"The school code of 1976,"

being section 380.1431 of the Michigan Compiled Laws; and to repeal certain parts of the act.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. Section 1431 of Act No. 451 of the Public Acts  
2 of 1976, being section 380.1431 of the Michigan Compiled Laws, is  
3 amended to read as follows:

4       Sec. 1431. (1) ~~A board of education or school official~~  
5 ~~shall not purchase, procure by exchange, adopt, or permit to be~~  
6 ~~used in the schools of the district a textbook which is not~~  
7 ~~listed with the state board.~~ A person, firm, or corporation  
8 desiring to offer school textbooks for adoption, sale, or  
9 exchange in this state shall file with the state board ~~—, copies—~~

1 OR THE STATE BOARD'S DESIGNEE A LIST of all textbooks offered,  
2 together with a ~~sworn~~ statement of the usual list price, the  
3 lowest net wholesale price, and the lowest exchange price at  
4 which each book is sold or exchanged for an old textbook on the  
5 same subject of like grade and kind but of a different series.

6 ~~(2) A textbook shall not be listed by the state board~~  
7 ~~unless the person, firm, or corporation offering it enters into~~  
8 ~~an annual written contract, effective as of January 1 and remain-~~  
9 ~~ing in effect for a period of 1 year from that date, with the~~  
10 ~~state board. The contract shall embrace the following terms and~~  
11 ~~conditions:~~

12 (2) ~~(a)~~ The person, firm, or corporation shall furnish all  
13 textbooks ~~listed in the statement, and in other statements sub-~~  
14 ~~sequently filed, during the period of the contract,~~ to each  
15 school district or ~~to each~~ intermediate school district in this  
16 state at the lowest price contained in the statement. The prices  
17 shall be maintained uniformly throughout the state.

18 (3) ~~(b)~~ The prices listed in the statement shall be auto-  
19 matically reduced in this state when reductions are made else-  
20 where in the United States ~~,~~ so that a textbook ~~filed and~~  
21 listed shall not be sold or offered for sale by the person, firm,  
22 or corporation in this state at higher a net price than is  
23 received for the textbook elsewhere in the United States, regard-  
24 less of whether the textbook is sold or offered for sale else-  
25 where in accordance with the terms of a contract or otherwise.

26 (4) ~~(c)~~ Textbooks offered for sale, adoption, use, or  
27 exchange in this state shall be at least equal in quality to

1 those ~~filed with the state board~~ SOLD ELSEWHERE IN THE UNITED  
2 STATES as regards paper, binding, printing, illustrations,  
3 subject matter, and other particulars affecting the value of the  
4 textbooks.

5       (5) ~~(d)~~ If an abridged or special edition of a textbook  
6 listed by a person, firm, or corporation is offered for sale  
7 elsewhere in the United States at a lower wholesale price than  
8 the net wholesale price of the textbook ~~according to~~ INDICATED  
9 IN the statement filed with the state board OR THE STATE BOARD'S  
10 DESIGNEE, the person, firm, or corporation ~~shall file a copy of~~  
11 ~~the special edition, when requested, together with its price,~~  
12 ~~with the state board, and~~ shall offer the textbook for sale for  
13 use in the public schools of this state at the lowest net price  
14 at which the textbook is sold or offered for sale elsewhere in  
15 the United States.

16       (6) ~~(e)~~ A person, firm, or corporation shall not enter  
17 into an understanding, agreement, or combination to control the  
18 prices of school textbooks or to restrict competition in the sale  
19 of textbooks for use in the public schools in this state.

20       ~~(f) If the state board determines that a person, firm, or~~  
21 ~~corporation listing textbooks with the board is offering a text-~~  
22 ~~book for sale elsewhere in the United States at a lower price~~  
23 ~~than that for which the textbook is offered for sale in this~~  
24 ~~state, the board may cancel all filings on the part of the~~  
25 ~~person, firm, or corporation, and may remove from the lists filed~~  
26 ~~all textbooks sold or offered for sale by the person, firm, or~~  
27 ~~corporation.~~

1       Section 2. Sections 1432, 1433, and 1436 of Act No. 451 of  
2 the Public Acts of 1976, being sections 380.1432, 380.1433, and  
3 380.1436 of the Michigan Compiled Laws, are repealed.