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Businessman Robert L. “Roddy” Jones named Chairman of the Board for the Foundation for Ethics in Public Service

written by Administrator
- July 20th, 2009

RALEIGH, NC – Raleigh businessman Robert L. “Roddy” Jones has been named Chairman of the Board of Directors for the Foundation for Ethics in Public Service, Inc., a non-profit, non-partisan organization which educates citizens and public officials about ethics and public corruption.

“I look forward to working with the Foundation’s staff to bring a new level of transparency, accountability and integrity to our government,” says Jones. “Additionally, I will work to ensure that the Foundation conducts its business in a fair, independent, non-partisan manner.”

“We are pleased to have a well-known and highly respected business and civic leader like Roddy Jones on our team,” says former N.C. State Auditor Les Merritt, the Foundation’s executive director. “His proven leadership and extensive business experience will help us ensure that the Foundation makes a positive difference, both here in North Carolina and throughout the nation.”

Robert L. “Roddy” Jones served as president of Davidson and Jones Construction Company from 1973 to 1993 and was one of the founders of Highwoods Properties, Inc., a longtime Raleigh real estate development company that went public in 1994 and is traded on the New York Stock Exchange. He currently serves as Chairman of Tri Properties, Inc., Davidson and Jones Hotel Corporation, Davidson and Jones Corporation and DJ Realty Service. He is a managing member of Davidson and Jones Residential, LLC, Carolina Barrows, LLC and EnviroFresh, LLC. Jones is the past Chairman of the Board of Governors of the University of North Carolina and former Chairman of the Board of East Carolina University. He has served on the governing or advisory boards of Peace College, Shaw University, Ravenscroft School, Babcock School of Business at Wake Forest University and the State Advisory Council of Vocational Education. Additionally, he has served as Chairman of the Greater Raleigh Chamber of Commerce and on the Board of the Tammy Lynn Home, Raleigh Rescue Mission, North Carolina Citizens for Business and Industry (NC-CBI), The Bank of North Carolina, Carolina Federal Savings and Loan Association, The Research Triangle Foundation, NCBF of North Carolina and was active in the Young Presidents' Organization. Jones is currently a member of the World Presidents' Organization and serves on the governing boards of the N.C. Community Foundation, Louisburg College, the Wake Education Partnership, the Foundation for Good Business and the East Carolina University Medical Foundation. He graduated from East Carolina University in 1958.

The Foundation for Ethics in Public Service, Inc. is a non-profit, non-partisan organization which educates citizens and public officials about the nature, causes and remedies of public corruption and spotlight significant occurrences of public corruption. Specifically, the Foundation facilitates the investigation and reporting of public corruption by receiving tips about alleged acts of corruption, independently investigating those tips to ascertain their credibility, and passing the information along to investigative reporters or enforcement agencies as appropriate. The organization also teaches classes and conducts seminars and other programs to educate public officials on ethics issues. For more information, visit www.ReportPublicCorruption.org or call 919-832-8886.
Congratulations on graduating. Now go get health insurance

By Michelle Walbaum, USA TODAY

For many college students, mortarboards aren’t the only things up in the air on graduation day.

The National Association of Colleges and Employers reports that an estimated 1 million alumni dropped from their parents’ health insurance coverage upon graduating this year. Replacing that insurance is a problem for former college students because they’re often short on cash.

Graduates should aim for the most affordable plan: health insurance through employers, says Jon Gabel, senior fellow of the health policy and evaluation department at the National Opinion Research Center at the University of Chicago.

However, college graduates face a tough job market. More than 2.5 million recent college grads are unemployed, NACE says. One of them is Samantha Whiteside, 24, a health and fitness major who graduated from Virginia Polytechnic University last year.

Her career outlook seemed promising at first. She found work as an outpatient rehabilitation center in March as a technician and wellness instructor for mentally ill seniors. She was told health insurance benefits would kick in after three months. Three days before her third month ended, she was laid off.

“I’ve never been in this situation before,” she says. “I know everybody’s been saying that the economy’s bad … but I never thought it would happen to me.”

She’s working now as a part-time swimming instructor, and her mother, Marla Whiteside, enrolled her in an individual insurance plan with a $96 monthly premium. The coverage is minimal, and Marla Whiteside says she’s worried because it only pays 70% of hospital treatment.

But while the plan isn’t very comprehensive, it’s better than nothing.

Graduates shouldn’t join the ranks of the uninsured, warns Cheryl Fish-Parcham of Families USA, a health care advocacy organization.

Something as unpredictable as a car accident, or as simple as a few doctor’s appointments, could plunge them deep into debt.

Also, if graduates wait too long to get health insurance, insurers may deny coverage, especially if they’ve had any major medical issues within the past five years, Fish-Parcham says. She recommends avoiding gaps in coverage lasting more than 63 days. Within that time period, if the graduate develops a serious health problem, federal law requires insurers to offer coverage. But after that, they can refuse you.

So what’s a cash-strapped former college student to do? Some options:

Your parents’ insurance

Your parents’ plan, if it’s employer-based, probably offers lower premiums — and more coverage — than individual health insurance.

Twenty-five states allow graduates to do this, says Sara Collins, vice president at the Commonwealth Fund. State law varies. In some places, graduates can stay on until age 24, 25 or 26. New Jersey has the highest age limit, at 30.

Some states limit this option to full-time students or to young people living at home, says Jenny Libster, senior research associate at Georgetown University’s Health Policy Institute.

If this option isn’t available, see if you can get your college insurance plan extended.

As a last resort, consider the Consolidated Omnibus Budget Reconciliation Act, or COBRA. This federal program allows you to continue coverage under your parents’ employer-based plan, but there’s a catch — it’s much more expensive. You’re required to pay the entire premium, plus 2% in administrative costs.

An individual insurance policy

Depending on where you live, it might not be as pricey as you think. A non-smoking, 22-year-old male who lives in Baltimore could buy a comprehensive insurance plan with a $1,000 deductible for $94 a month, according to eHealthInsurance.com. In New Brunswick, N.J., the same coverage costs $355.74. The price differs because state laws vary, Collins says.

Most states give insurance companies a green light to pick and choose whom they insure — which, in most cases, means people with chronic health conditions are shut out.

But five states, known as “guaranteed issue states,” require insurance availability for everyone, healthy or not. These states are Maine, New Hampshire, New Jersey, New York and Vermont.

While this is valuable for those with chronic health conditions, it also means premiums are higher, making insurance more expensive for healthy people.

A health maintenance organization

A type of comprehensive, individual insurance plan, HMOs offer a fixed list of health care providers. They’re generally less expensive than preferred provider organization plans, which allow you to choose health providers, Gabel says.

Although PPOs offer more choices, grads probably don’t need them, Gabel says, because they probably don’t have a relationship with a specific doctor yet.
Alternatively, consider a point of service plan, or POS. These plans are similar to HMOs, but offer the option of using out-of-network services, as long as you pay a deductible and higher co-payment.

A short-term plan

If you nail a job but have to wait a few months for the insurance plan to kick in, consider short-term coverage. These plans are less expensive than individual insurance plans. You can use them to fill in gaps in your coverage, up to six months.

However, be aware that they are called short term for a reason: They’re designed as a temporary fix. It’s risky, for example, to buy one short-term plan after another as a substitute for individual health insurance. You’re treated like a new client every six months, which gives the company the ability to refuse you. If you fall ill or get into an accident right after purchasing a new plan, the company may drop you, Fish-Parcham says.

Catastrophic insurance

These plans, also known as high-deductible plans, charge deductibles ranging from $500 to $5,000, with low premiums. Although catastrophic insurance doesn’t usually cover the cost of regular doctor visits and prescriptions, it does offer coverage for emergencies.

But if you choose to buy one of these plans, “you have to be sure” there’s money in the bank to cover the deductible, Fish-Parcham warns.

Policies geared toward young adults

The Kaiser Family Foundation reports that 30% of the uninsured are ages 18-29.

Insurance companies have created plans “developed with this population in mind,” says Susan Pisano, vice president of communications at America’s Health insurance Plans, an insurance industry trade association. They include lower premiums — Aetna’s BodyGuard, for example, offers plans from $40 to $110 a month.

Aetna spokesman Matthew Wiggin says the monthly cost is low because the plans only focus “on the type of coverage that young adults are most likely to use.”

Since young adults are active, and prone to more accidents, Aetna included more emergency care coverage than in its individual plans. Meanwhile the prescription drug benefit is limited to generic drugs.

Another low-cost option is a limited benefit medical plan. Marketed as a low-income alternative, these plans cost less than $200 a month, with little or no deductible.

But many health industry experts tell consumers to be wary, as these plans cap total coverage. If you end up in the hospital, you could be on the hook for a large part of the cost.
Lifelines in the Student Loan Sea

Programs Offer Income-Based Repayment and Debt Forgiveness

By Daniel de Vise
Washington Post Staff Writer
Monday, July 20, 2009

Suzie Dundas is at that stage of life when student loans loom larger than car leases or electricity bills. The $390 monthly payments seem to stretch into perpetuity. They are her largest monthly obligation aside from her rent, which Dundas has decided she can no longer afford. She is about to move back in with her parents.

Dundas, 23, is a new graduate entering a stricken job market with a master's degree, $30,000 in debt and far less earning potential than she expected when she borrowed the money. She works part time for the State Department.

"When I get paid, I think, 'All right, I have $500,' " she said. "But then I remember I have huge loans, and it's really just, 'All right, I have negative $29,500.' And then I go eat ramen for dinner."

This summer brings a measure of relief. Starting July 1, student borrowers can cap their monthly payments at a modest sum determined by income and family size. A second initiative, the Public Service Loan Forgiveness Program, will erase student debt entirely after 10 years for graduates who work for government or various nonprofit organizations.

Together, the programs amount to "the broadest and most expansive set of provisions we've ever had" to ease student debt, said Terry Hartle, senior vice president of the American Council on Education, an association of college administrators based in the District.

"It's huge for students," said Carmen Berkley, president of the United States Student Association, an advocacy group in the District. "You put somebody in a situation where they're not making too much money, and they're making $200 to $300 in monthly payments, and you're setting them up for failure."

Berkley graduated from the University of Pittsburgh two years ago with $80,000 in loans and, as a 24-year-old nonprofit leader, is "definitely not making enough to make my $800 to $900 payments."

Authors of the legislation cannot predict how many of the nation's 30 million student borrowers might qualify. Income-based repayment is available to borrowers with any federally guaranteed loan. Loan forgiveness is open only to those with direct federal loans. Neither program applies to private loans, a smaller but critical share of student aid.

Help might be coming for new borrowers, as well. On Tuesday, a House committee takes up the Student Aid and Fiscal Responsibility Act, which proposes to expand federal lending and simplify the application process.
Student borrowing has risen sharply in recent years to keep pace with spiraling tuition. Total education lending has more than doubled in the past decade, in inflation-adjusted dollars, from $41 billion in the 1997-98 academic year to $85 billion in 2007-08, according to the nonprofit College Board. The average borrower leaves college owing more than $22,000.

"The reality is that students are relying on loans to pay for college," said Chris Lindstrom, higher-education program director at U.S. PIRG, a public interest advocacy group based in the District. The share of students graduating in debt has risen from less than one-third in the early 1990s to about two-thirds today, she said.

Dundas amassed her debt at the University of Maryland and George Washington University, where she received a master's in media and public affairs this spring.

"My thought process, in retrospect, was rather naïve," she said. "Because I had a master's, I thought I'd come out earning $40,000 to $50,000 a year, because that's what people were telling me. It's a funny joke now."

Her part-time job barely covers her loan payments, let alone the $700 rent she was paying in College Park. She will soon return to her family home in Poolesville. Then she'll begin a two-hour daily commute to Foggy Bottom by car, Metro and foot.

Dundas has applied for 140 other jobs to supplement her State Department income and has been turned down at every one, denied even a chance to wait tables at Applebee's.

"I have a master's degree, I interned on Capitol Hill, I helped my professor write an encyclopedia, I speak two languages, I had a 3.7 GPA and I can't find more than a part-time job," she said.

Under income-based repayment, her payments could drop to zero. The law caps monthly payments at 15 percent of a borrower's "discretionary" income, all earnings above 150 percent of the poverty line. At about $15,000 a year, Dundas has no discretionary income. She learned this by running figures through a calculator at IBRinfo.org, set up by the nonprofit Project on Student Debt.

That is not to say Dundas's debt would go away. It would remain, and continue to accrue interest, until she made enough to resume payments. The program forgives lingering debt after 25 years, a lifetime in the student-lending world.

But should she enter full-time government employment, Dundas would qualify for loan forgiveness, her federal debt erased after 10 years. Both programs were enacted in 2007 as part of the College Cost Reduction and Access Act. Graduates interested in payment caps can contact their lenders directly. There is no formal application yet for the loan forgiveness program, whose 10-year clock began ticking in 2007.

The programs won't necessarily help those who have borrowed the most. Students tend to load up on private debt after borrowing all they can in federal loans, which are subject to lending limits.

For instance, they won't help Mikaela Rossman Clark, 30, who finished law school at the University of Maryland in 2006 with $90,000 in private loans and $30,000 in federal loans.

Rossman Clark "did all of law school in loans, with the anticipation, of course, that I would go to a big firm afterwards," she said. Instead, she went to a small firm, near her Calvert County home, after she and her husband made "some quality-of-life decisions." They had a child. Then, last January, the firm stopped paying a straight salary and instead offered 30 percent of what she billed clients, which meant less money in leaner times.

"Financially, it made more sense for me to stay home with my son," she said.
The new loan programs might prove more useful to people who are "being squeezed out of socially valuable but lower-paying careers, like teaching and social work," said Lindstrom, of U.S. PIRG.

Take Andrew Merki. The La Plata resident entered the University of Indiana two years ago to be a business major, "with some plan of making a good salary" upon graduation. Instead, he'll graduate in 2011 with a newfound passion for public service -- and $70,000 or $80,000 in debt. He's volunteering at a Charles County shelter this summer and has launched a PIRG affiliate at his university.

"You have a vision in your mind to go out and change the world," he said. "At the same time, there's the harsh reality that you've got thousands and thousands in loans to repay. As much as you'd like the decision to be based on values and ideals, it comes down to money a lot of the time."

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Before College, Costly Advice Just on Getting In

By JACQUES STEINBERG

The free fashion show at a Greenwich, Conn., boutique in June was billed as a crash course in dressing for a college admissions interview.

Yet the proposed “looks” — a young man in seersucker shorts, a young woman in a blue blazer over a low-cut blouse and short madras skirt — appeared better suited for a nearby yacht club. After Jennifer Delahunty, dean of admissions at Kenyon College, was shown photos of those outfits, she rendered her review.

“I burst out laughing,” she said.

Shannon Duff, the independent college counselor who organized the event, says she ordinarily charges families “in the range of” $15,000 for guidance about the application process, including matters far more weighty than just what to wear.

Ms. Duff is a practitioner in a rapidly growing, largely unregulated field seeking to serve families bewildered by the admissions gauntlet at selective colleges.

No test or licensing is required to offer such services, and there is no way to evaluate the counselors’ often extravagant claims of success or experience. And Ms. Duff’s asking price, though higher than many, is eclipsed by those of competitors who may charge upwards of $40,000 — more than a year’s tuition at many colleges.

In the last three years, the number of independent admissions advisers (as opposed to school-based counselors) is estimated to have grown to nearly 5,000, from about 2,000, according to the Independent Educational Consultants Association, a membership group trying to promote basic standards of competency and ethics. While initially clustered on the East and West Coasts, counselors are making inroads across the country.

The consultants association has made a particular target of counselors who boast of helping nearly all their clients gain admission to their top-choice colleges.

“When you say things like, ‘We know the secrets of getting in,’ it kind of implies that it’s not the student’s ability,” said Mark H. Sklarow, executive director of the association, in Fairfax, Va. “It suggests that there’s some kind of underground code.”

A reputable, experienced counselor might, for a few hundred dollars, help a student compile a list of prospective colleges, or brainstorm topics for an essay. But others demand tens of thousands of dollars to oversee the entire application process — tutoring jittery applicants on what classes to take in high school or musical instruments to play, the better, their families are told, to impress the admissions dean.
Never mind that admissions officers say that no outsider can truly predict how a particular applicant might fare. “I guess there are snake oil salesman in every field,” said Amy Gutmann, the president of the University of Pennsylvania, “and they are preying on vulnerable and anxious people.”

While the going national rate for such work is about $185 an hour, a counselor in Vermont and another in New York City are among those who charge some families more than $40,000. Their packages might begin when a child is in eighth grade.

“It’s annoying when people complain about the money,” the Vermont-based counselor, Michele Hernandez, said. “I’m at the top of my field. Do people economize when they have a brain tumor and are looking for a neurosurgeon? If you want to go with someone cheaper, or chance it, don’t hire me.”

Dr. Hernandez, a former Dartmouth admissions officer, says she counsels as many as 25 students in each high school grade each year. She also offers four-day “boot camps” every August in a Boston hotel, charging 40 incoming high school seniors as much as $14,000 each.

Lee Stetson, who retired in 2007 after three decades as dean of admissions at the University of Pennsylvania, now has a counseling practice near Philadelphia, where he charges as much as $15,000 for his junior-senior package. Unlike many competitors, Mr. Stetson says he cautions his small group of clients, maybe seven students a year, that he will not handicap their chances of admission to a particular college, nor button-hole former colleagues on their behalf. “I’m hoping they see me more as someone who understands the process,” he said, “than someone who can influence the chances of acceptance.”

While Mr. Stetson was one of the most influential admissions officers in the country, the extent of other counselors’ experience may be more difficult for parents to divine.

On her business Web site, Collegiate Compass, Ms. Duff says she brings “firsthand perspective to today’s admissions landscape,” borne of her earlier work “as a reader” in the Yale undergraduate admissions office. While outside readers help evaluate some candidates’ files, they typically have no decision-making authority.

It is not uncommon for other counselors to exaggerate their backgrounds. Ivy Success, in Garden City, N.Y., which charges some clients nearly $30,000, says on its Web site that its counselors have “years of experience as admissions officers to help you gain an edge in this competitive and uncertain process.”

Victoria Hsiao, a partner in Ivy Success, said in an interview that she had worked as an admissions officer at Cornell for several years in “the late 1990s.” But Jason Locke, the director of undergraduate admissions at the university, said there was no record, or memory, of Ms. Hsiao doing such work. (Mr. Locke did confirm that she graduated from Cornell in 1996.)

Asked about the discrepancy, Ms. Hsiao said she had mainly assisted the admissions office as an alumna who conducted interviews. She also said a partner, Robert Shaw, had been an admissions officer at the University of Pennsylvania. Asked about this in an e-mail message, Mr. Shaw said he had been only “an assistant,” from 1987 to 1988.

“Don’t remember all the details,” he said, adding, “We really don’t want to be a part of your article as we’re not a service for the masses.”
Admissions officers say that for many students, the advice of their high school counselors should suffice. Those applicants who might benefit from supplemental counseling — like those at urban high schools with overworked counselors — are often among the least able to afford such services.

Regardless, colleges say parents should be wary of any counselor’s claim of being able to lobby for a candidate’s admission. While noting that there are “genuinely rational and knowledgeable folks out there doing this work,” Bruce Poch, the dean of admissions at Pomona College, adds, “Some of the independents leave me looking for the nearest emergency shower.”

Though none of the counselors said business was off in the struggling economy, some are making adjustments. Having initially presented the fashion show outfits as serious, Ms. Duff later said she had intended to “create a lighthearted environment,” the better to promote two new advisory DVDs she is offering, “at a price that is accessible.” (One for $45; two for $80.)

Katherine Cohen, the founder of IvyWise in New York City, has a team that charges from a few hundred dollars to more than $40,000. But she also has been emphasizing a spinoff called ApplyWise that for $299 helps students assemble their application in ways reminiscent of Turbo Tax.

Dr. Cohen, a former reader at Yale, is a member of the independent consultants association — despite a claim on the IvyWise Web site that runs afoul of an association admonition. “Congratulations,” it blares, “100 percent of IvyWise students were admitted to one of their top three choices in 2009!”

Fewer than one of every five admissions consultants can claim to be an association member. Bill Dingedine, a longtime educational consultant in Greenville, S.C., is among those advocating even more stringent certification offered by the American Institute of Certified Educational Planners. It requires counselors to pass a three-hour written examination.

The concept has yet to catch on, at least in part because many counselors’ practices are already booming. Asked how many counselors had sought, and won, that certification last year, Mr. Dingedine had a ready answer: about 20.
Book Smarts? E-Texts Receive Mixed Reviews From Students

By RYAN KNUTSON AND GEOFFREY A. FOWLER

Last August, administrators at Northwest Missouri State University handed 19-year-old Darren Finney a Sony Corp. electronic-book Reader. The assignment for him and 200 other students: Use e-textbooks for studying, instead of heavy hardback texts.

At first, Mr. Finney worried about dropping the glass and metal device as he read. But eventually, the sophomore came to like the Reader. Its keyword search function, he says, was “easier than flipping through the pages of a regular book.” Dozens of other participants, however, dropped out of the program, complaining that the e-texts were awkward and inconvenient.

Nationwide, universities, high schools and elementary schools are launching initiatives like the one at Northwest Missouri State, testing whether electronic texts that can be viewed on e-book readers or on laptop computers can cut costs and improve learning.

This fall, Amazon.com Inc. is sponsoring a pilot program for its large-screen Kindle DX e-reader with hundreds of students across seven colleges, including Princeton University and University of Virginia. Meanwhile, Gov. Arnold Schwarzenegger wants to bring digital math and science textbooks to California’s secondary schools as early as this fall. (Heavy old books, the governor says, are useful as weights for arm curls.)

Proponents tout e-books’ potential to do things that old-fashioned textbooks can’t. Since e-books aren’t printed and don’t need to be sold through physical distributors, they should theoretically be less expensive than regular books and can save students and schools money. What’s more, e-textbooks are environmentally friendly, can lighten backpacks and keep learning materials current.

But the transition has sparked controversy among some educators. They say that digital reading comes with drawbacks, including an expensive starting price for e-book readers and surprisingly high prices for digital textbooks. Also, publishers make e-texts difficult to share and print, and it is unclear how well students will adapt to reading textbooks on a screen, some say. The earliest versions of these devices lack highlighting, note-taking and sharing capabilities, and one leading provider’s e-books expire after several months, meaning they can’t be kept for future reference.

Meantime, on Tuesday, a customer filed suit in U.S. District Court for the Western District of Washington, seeking class-action status, against Amazon, claiming the Kindle, when kept in a cover, cracks too easily. An Amazon spokesman said “We do not comment on active litigation. Nevertheless, we encourage anyone who has an issue with the cover attachment mechanism to return the cover and device for a free replacement so we can investigate further.”

Most e-book readers and e-textbooks aren’t cheap. The devices start at about $280. Amazon’s textbook-optimized Kindle DX is priced at $489. E-textbooks may cost only slightly less than the print equivalent. That’s because publishers don’t want to undercut themselves at bookstores as the technology develops, analysts say.
For example, Human Reproductive Biology, a textbook from Elsevier BV’s Academic Press, costs $65 for the Kindle edition, $66 from Sony's e-book store, and $49 for a 180-day subscription on e-textbook seller CourseSmart.com. A printed edition costs about $72 from various retailers. Tom Rosenthal, senior manager of electronic product sales at Academic Press, says, "At the moment, there's not a lot of [cost savings]. What people tend to forget is that we have costs beyond printing and warehousing and distribution. We still have other overheads."

Digital texts “could be a game changer that is phenomenal in so many different ways,” says Martin Ringle, chief technology officer at Reed College, which is participating in Kindle’s pilot program this fall. Yet “if the technology has passed muster but the price point hasn’t, then it's...going to be a non-starter.”

Amazon declined to comment. Pearson PLC’s education unit, one of America’s largest textbook publishers, will be unveiling a selection of Kindle DX-compatible textbooks in a few weeks, and wouldn’t comment further on pricing. CourseSmart says its e-books cost, on average, half as much as print counterparts.

Many e-textbooks are also locked up technologically so they can't be shared, printed or resold. In a recent study of 504 college students by the Student Public Interest Research Group, a consortium of student activists based in Chicago, the organization slammed existing e-textbook efforts such as CourseSmart for "being on the wrong track."

Frank Lyman, CourseSmart’s executive vice president of marketing, argues that traditional printed books are also limited to one student at a time. CourseSmart is a consortium of publishers, including Pearson and McGraw-Hill Co. Its content, sold in limited-time subscriptions, can be read on PCs and printed out in small batches, but not read on a Kindle or a Sony Reader.

There are questions about how comfortable students will be studying on screens. In the Student PIRG study, 75% of college students said they would prefer print to digital texts.

Moreover, younger students might find the devices antiquated. Last year, educational research group Project Tomorrow asked students what elements they found most important in digital textbooks. Many said they wanted interactive features like videos and quizzes. No dedicated e-readers have these attributes.

In California, the move toward digital books faces hurdles because the state is advocating for digital textbooks to be free—which goes against the interests of publishers.

Still, the state is moving ahead with its digital-books plan. California is reviewing 20 free math and science e-books that will be made available to teachers this fall. The state will leave it up to schools to figure out how to get the content to students, with solutions ranging from printing them out to handing them to students on CDs. This method, known as open source, could save the state millions.

Some California school districts say they have had positive results with e-texts so far. At the Las Virgenes Unified School District in southern California, digital books have been used on PCs and in printouts in elementary-school science classes since 2007. “The greatest immediate observable result is how quickly the kids get engaged,” says Las Virgenes schools superintendent Donald Zimring. He adds, however, that there is no evidence e-texts improved reading or test scores. At colleges, trials of e-textbooks and readers have been mixed. When Northwest Missouri State ran its trial with the Sony Reader last fall, dozens of the 200 participants bailed out after about two weeks. “The students more often than not either suffered through it or went and got physical books,” says Paul Klute, the assistant to the university's president, who oversees the e-book program. Students didn’t like that they couldn’t flip through random pages, take notes in the margins or highlight text, he says.

Penn State ran a pilot program last fall with 100 of the Sony Reader devices in honors English classes, and found similar results as Northwest Missouri State. The devices are good if you’re using them "on a beach or on an airplane," said Mike Furlough, assistant dean for scholarly communications at Penn State University Libraries. "But not fully functional for a learning environment."

Sony’s newest model, the Reader 700, now features note taking and highlighting, says Steve Haber, president of Sony's digital reading business. The Reader, he says, “is not a multipurpose device, it is designed for focused reading.” —something that many educators are looking for in a world where students’ lives are filled with digital distractions.
Northwest Missouri State has since decided to pursue e-books that can be read on small laptops known as netbooks, rather than just a single-purpose e-reader. "A tablet netbook that is sturdy and is as fully functional as a PC has the ability to do word processing and run other programs," Mr. Klute says.

Some Northwest Missouri State students say they remain fans of digital reading. Eric Pabst, 21, used his laptop to read e-textbooks in his finance class last year. "It's cool because we don't have to lug around a huge book anymore," he says.

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