

House Bill 514

Proponent Testimony

Todd Diacon, President

Kent State University

Chairwoman Lanese, Vice Chair Young, Ranking Member Ingram, and members of the House Higher Education and Career Readiness Committee, thank you for the opportunity to provide testimony in support of House Bill 514.

Several years ago, Kent State University established a strategic road map to serve as guiding principles in all our actions as a state institution of higher education. The roadmap begins with a simple mission—put “Students First.” We state that *“Our top priority is to ensure that students have the education, experiences and support they need to graduate and to live successful, satisfying lives in their work and in their commitment to become engaged citizens.”* I cannot think of a more thoughtful and deliberate piece of legislation that echoes this “students first” mentality than House Bill 514. House Bill 514 shows a true commitment by the state of Ohio to make higher education in Ohio more affordable for our most financially needy students. Additionally, this legislation doubles down on current efforts by institutions, the state, and businesses to stop the brain drain of Ohio’s best and brightest minds.

We know that the Ohio College Opportunity Grant (OGOC) changes not only the lives of the students who receive the funds, but also those of their families and their families for generations to come. We also know that sometimes even Pell Grants and OCOG dollars fall short of what a student needs to persist in the face of everything that life can throw at them. Providing additional funding through the OCOG supplemental grant program that this bill establishes is an effective way for the state of Ohio to support and encourage students to keep pushing toward a baccalaureate degree after obtaining an associate degree. On average, an employee with a bachelor’s degree earns over \$300 a week (or over \$15,000 annually) more than one with an associate degree<sup>1</sup>. A state investment in our students to achieve a bachelor’s degree will surely pay in dividends provided those students remain in Ohio following their graduation.

To keep students in Ohio and realize that investment, House Bill 514 allows for graduates of Ohio’s institutions to claim a tax credit for up to three years on most income. This incentive, similar to the supplemental OCOG, will pay dividends as students who might otherwise relocate out of state choose to stay in Ohio, “just for a while,” to utilize these tax incentives. At the end

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<sup>1</sup> US Bureau of Labor Statistics, 2020 <https://www.bls.gov/careeroutlook/2021/data-on-display/education-pays.htm>

of 3 years, these graduates will have found themselves on career paths that will keep them living, working, and raising a family here in Ohio.

Among the other innovative provisions in this bill, the intern hiring tax credit provision may move the needle the most toward ending the brain drain. Incentivizing business to take on interns and participate in cooperative educational opportunities is a win-win-win. What better way to prepare students for the real-world workforce than to have them work in an Ohio business? What better way to help Ohio's businesses effectively train future employees than to have them intern in the very positions they seek after graduation? What better way to ensure that graduates stay in Ohio than to have a job lined up on the day graduation? What better way to create an Ohio centered talent pipeline than to provide tax incentives to ensure this all happens?

In summary, Kent State University applauds Representatives Cross and Denson for their forward thinking and innovative approaches in this legislation. It is inspiring to see bipartisan legislation with a true "students first" priority, and I thank this committee for hearing House Bill 514. Kent State University fully supports this bill.

Chairman Lanese and members of the committee, thank you for the opportunity to provide proponent testimony on House Bill 514. If the committee has any questions, please do not hesitate to contact me.