



## **Testimony before the Ohio Senate Workforce & Higher Education Committee**

Senate Bill 135

*Tuesday, April 27, 2021*

Chairman Johnson, Vice Chair Cirino, Ranking Member Williams, and members of the Senate Workforce and Higher Education Committee, thank you for the opportunity to testify today. I am Jack Hershey, President of the Ohio Association of Community Colleges (OACC), which represents the trustees and presidents of all twenty-three of the state's public community colleges.

A few words about community colleges to start this testimony. Our 23 colleges, along with the 13 public universities that we work with closely, compose Ohio's system of public higher education. Within that system, we now increasingly connect with the K-12 system through College Credit Plus, the state's popular dual enrollment program. At the same time, we also serve the state's career and workforce learning system, alongside Career Tech schools and the Ohio Technical Centers. We also interact directly with Ohio businesses, by providing direct training to their incumbent adult employees through programs like TechCred and other workforce training programs. Finally, in order to increase the success rates of our students – many of whom are low-income or working adults – we have increasingly had to partner with local social service and non-profit partners to provide the wrap-around services that many of our students need in order to be more successful in their studies.

As for our students, they are just as diverse, especially in their goals and motivations. We attract what most call "traditional" college students as well as an overwhelming majority of the so-called "no-traditional" students. Our "traditional" students come to us directly or shortly after high school and know they want to finish a bachelor's degree in four years and start with our colleges often because of the lower costs or proximity to their home.

However, the "non-traditional" student is the norm at a community college, with the average age around 28 years old, often working and/or raising a family. Some have no interest in college at all, and only attend with the goal of earning a credential or a certificate. Others may have no interest in obtaining a credential at all, and simply enroll to pick up some additional skills through a couple of classes. Some have little time to come to campus due to work and family commitments, and choose to take most of their classes with us online. Some have no interest in higher education's traditional timelines for finishing programs and may only take a few classes each semester and may take multiple semesters off to work during their academic journey. Finally, some students, especially first-generation students, come to use simply to try college out, even though they have probably been told by someone in their life that they weren't college material, but want to try and rise above that perception.

It is not easy to serve a student body that is so diverse in their goals, and yet this is our mission. We are open access colleges. This means that we accept all who wish to enroll, and we work diligently to help them succeed – whether their goals are to quickly upskill so they can advance in their careers, or transfer to a university to earn their bachelor's degree.

## The Complete to Compete 65% Attainment Goal

Complete to Compete Ohio is a public-private coalition of more than 40 member organizations throughout Ohio who have been meeting for several years now to try and increase the number of Ohioans who earn a skills-based certificate or college degree after finishing high school. Currently, 49.5% of Ohioans have some high quality credential. We are well short of reaching what economists believe is the ideal credential attainment number to position Ohio for economic success, which is 65%.

The Ohio Department of Higher Education recently released a report called *Finish for your Future: Fulfilling Ohio's Adult Learner Promise*. The report stated: "Reaching our attainment goals will take completion across demographics." Meaning that all the various higher education and workforce experts across Ohio working towards this goal understand that we must work to achieve better attainment rates among every category of student. A particular focus on adults (age 25+) is needed, which means designing additional strategies that have adults at the center of their design. This is why we support the key provisions in SB 135, as they provide clear strategies aimed at purposefully helping convince adult students in particular to enroll or re-enroll at a community college.

While SB 135 certainly has provisions contained within it that not all members of that coalition may agree with, we should not lose sight of the bigger picture that this legislation is exactly what many of us in the Complete to Compete coalition have been saying we needed: bold workforce and higher education reform legislation that advances new proposals, strategies and ideas; all with the goal of making it more attractive for more Ohioans to pursue a postsecondary credential. While we understand this is likely a starting point for a much broader conversation, it embraces the urgent attainment challenges before us, and Ohio's community colleges thank Senator Cirino for advancing this legislation.

## Second Chance Voucher Program

In that spirit, the Second Chance Voucher Program proposed in SB 135 is one of the one of the more promising new proposals that we have seen to help increase college attainment, because for the first time it is purposefully targeting and marketing to the more than 1 million Ohioans who have earned some college credit but have not yet earned a certificate or a degree. The state has already invested in the education of these Ohioans, so it makes enormous sense to try attracting them back and make it easier for them to finish their training or education.

Targeting this population is the best way to make short term gains towards the 65% workforce goal. According to ODHE's *Finish for Your Future* report, in 2019, Ohio's postsecondary enrollment was around 590,000 students, while our "some college, no degree population" was more than 1.3 million Ohioans. Think about that – Ohio has more than double the amount individuals in our state who have started college without earning a credential as we do students currently enrolled. Now, if our institutions could convert *just 5%* of these adults over each of the next 6 years, we would reduce the projected degrees needed to meet the attainment goal by nearly one-third.

Closing Ohio's skills gap will require a great collective effort but know that Ohio's 23 community colleges are ready to meet the challenge. For the past decade, we have redesigned curriculum to incorporate stackable certificates of value that align with regional employer needs. Our colleges have embraced holistic, student-focused reforms to improve the academic, career and financial success of our students. Our colleges did not do this because it was financially advantageous (in fact, many of these reforms come with significant upfront costs), but because we know it is imperative that we improve how we serve our most vulnerable students.

Again, as ODHE's *Finish for Your Future* report stated: "Community colleges serve as the major routes of initial entry, re-entry, and completion on the postsecondary education pathways for 'some college, no degree' students." We are often the most common higher education choice for returning adults, regardless of their previous institutional. Our community colleges leaders are excited to welcome these students back and believe that Senate Bill 135 would be an enormous boost to our recruitment efforts.

I expect that the proposed funding mechanism for the voucher program will be a point of disagreement as the committee further examines and deliberates SB 135, but I would ask you to not let the conversation about how the program is ultimately funded distract from the overarching and critically important goal of implementing the Second Chance Voucher program: to target and incentivize this population of adults to return to finish what they started.

### **Targeted Financial Aid for Short Term Certificates and Low-Cost Pathways**

In recent years, the state has applied a "Pell First" policy onto its primary financial aid program. It says that if a federal Pell Grant covers the cost of tuition at an institution, then students at that institution are not eligible to receive an OCOG Grant. I am certain this committee will discuss this at greater length during budget testimony, but OACC believes that the current policy, which was first implemented during the Strickland Administration more than a dozen years ago. The policy ignores the actual costs for most low-income students, especially working adults and parents, to attend college – ranging from the cost of textbooks to other education-related such as purchasing required tools, uniforms or childcare. In addition to preventing students attending lower-cost institutions from receiving the state's need-based financial aid, learners pursuing short-term workforce certificates are often not able to receive either Pell or OCOG grants, even though a Pell First policy would suggest they should.

The provision in SB 135 that directs the use of a portion of the federal COVID-relief funds to be used to provide financial aid for students in short-term training programs is a need that has long been supported by Ohio's community colleges. For the past several years, Senator Portman has been working on a bipartisan bill to extend the Pell for short-term training programs; however, SB 135 correctly suggests that Ohio should no longer wait for the federal government to finally provide targeted financial aid to individuals pursuing a job-focused certificate. Ohio can do that immediately with the use of one-time federal funding through the many federal stimulus packages.

Between this effort to utilize a portion of the federal funding coming to the state for rapid completion certificates, the Second Chance Voucher program, and the proposal to provide an OCOG bonus award for students who start at a community college and transfer to a university to complete their bachelor's degree, we believe that we will see enrollment within Ohio's public higher education system grow significantly should SB 135 pass. It is that kind of enrollment infusion that we have to see in order to meet our workforce goal and make our state competitive. The first obvious step in Ohio's efforts to build its post-pandemic workforce should be to encourage those individuals who stopped out from their studies to return. This is the quickest way to fill our most immediate workforce needs.

### **Dual Enrollment Partnerships**

"Dual enrollment" partnerships, where a student is enrolled in a university but takes some portion of their classes at a local community college, already exist between our community colleges and

both public and private universities across Ohio. Many higher education researchers now suggest this as a best practice because many students thrive in an environment where they are allowed the opportunity to lower their tuition costs at a community college, while also staying connected with the university that they ultimately plan to graduate from. It should come as no surprise that most of the current relationships between community colleges and local universities are well established, collaborative, and have shown good results. Therefore, it would not take much time or effort to establish the new partnerships envisioned by SB 135.

The proposed provision that would require public universities to discuss and fully inform students of their options makes sense to us in the context of Ohio's system of public higher education. That system generally allows for local control of our colleges and universities, governed by boards of trustees at each institution. Where the state does play a significant role is in the administration of the state's credit transfer system and in the way the system is financed. SB 135 would require that all students who enroll in the public system simply be informed that the state system has lower costs options available to them, with the guarantee that those courses will transfer to the public university they were accepted into. As student loan debt has increased in recent years, most of higher education has embraced the idea that increased financial literacy for incoming college students is a key strategy in helping them manage the loans that they will ultimately be responsible for paying. Ohio's community colleges support this student-first proposal to help individuals and their families make the best financial choices for them if they enroll at one of our public institutions of higher education.

### **Community College Bachelor's Degrees in Nursing**

A year ago, we all saw the heightened attention to health care shortages. Instinctively, America began donating its ventilators, testing equipment, and PPE when we saw how the supply chain problems were affecting our health care system, and its ability to take care of us. Let's not forget that we also operated with far less nurses than needed during this last year.

The provisions in SB 135 that would streamline the approval process for community colleges to offer bachelor's degrees will allow us to quickly ramp up programming, as we work to attract adult students who will only consider an option within the community they live, or those that are unable to afford any of the existing programs in the state.

Since the passage of the Affordable Care Act, many hospital systems are moving toward requiring a bachelor's degree for their nurses. This preference, when coupled with the anticipated wave of retirements of older nurses once COVID is behind us, means that the projected shortage is likely to get even worse. Estimates from the federal government suggest that we may have to replace up to 1 million nurses over the next decade, and this is on top of any efforts to fill the already existing shortages.

The old adage that "every system is perfectly designed to get the results it gets" is appropriate here. Our current system has not been operating at maximum efficiency to be able to fill the demands of Ohio's healthcare employers. Ohio's community colleges are a part of Ohio's public higher education system. The state has invested in us over many decades to help build our nursing labs, and purchase necessary equipment. Ohio has the ability to better help address this shortage simply by better utilizing the assets that the state has already built.

It wouldn't do employers much good if we just operated in the same market as everyone else, but Ohio's community colleges believe that we will be able to attract new, primarily adult students into the system. Tuition at community colleges is significantly lower than at the state's universities and we believe that there is a significant population in Ohio who would choose to pursue this pathway, but

many of them need an affordable and convenient option. Because many of these prospective students have other life responsibilities like a job or family, we are also that certain individuals will pursue this option at a community college simply by having the ability to pursue their degree close to home.

As an example, think of a RN currently working in a rural hospital. Between that full-time job, and family responsibilities, the idea of “going away to a university” to earn their BSN is simply not an option they may ever entertain. However, an option of taking a classes at their local community college with a more flexible program timeframe is an option that they could consider. This is the kind of student we know how to serve and that is how we can attract new students into the system: not by duplicating the excellent programs that already exist at our universities, but by providing alternative pathways for certain students - ones that they will see as more affordable and convenient to their situation.

Finally, remember that community colleges must go through an extra step that universities do not when getting their bachelor’s degrees approved by the Chancellor. We must meet with local employers, discuss the degree and its requirements, and ensure from them that the capacity exists within the region to hire our graduates. We have to submit the results of those meetings to ODHE as part of the approval process, and we are not asking to change that requirement, as we think it produces stronger degree proposals, that better align with what local employers need. I mention it here, because employers will have the ultimate say on whether a community college bachelor’s degree is necessary and should move forward. For instance, if a hospital system believes that the universities in their area are meeting their needs and new programs would not be necessary, then the Chancellor is not allowed to further consider the request. Under this streamlined process, local employers are put in the driver’s seat in ultimately deciding if their industry, and ultimately their region, would benefit from having a new, lower-cost provider in their market.

## **Other Concerns**

While we believe the bill overall moves Ohio in a positive direction, I wanted to highlight two areas where our colleges have identified concerns in the initial review:

1. While we understand the situation driving the provisions in SB 135 that deal with honoring the intent of a philanthropic donor, we think this provision may be overly broad in its attempt to correct course. The provisions which give donors and their heirs a consistent, ongoing ability to direct how funds are spent, could not only become difficult to manage, but may also have unintended consequences that could jeopardize the tax benefits for these charitable donations.
2. More than a concern, I would say that the provisions regarding freedom of speech on campus are confusing at this moment, especially as we are in the midst of working to implement the new reforms in Senate Bill 40 from the 133<sup>rd</sup> GA. OACC appreciates the willingness of the bill sponsors, Senators Brenner and McColley, to work with both IUC and us on the comprehensive FORUM Act (Forming Open and Robust University Minds Act), which just became law last month and our colleges are implementing the new policies to ensure we meet the goals and requirements of SB 40. Therefore, we would respectfully request that you remove this duplicative section from the bill in order to allow time for colleges to both implement the FORUM Act and determine if that legislation was effective in meeting the sponsors’ intentions.

Once again, thank you for the opportunity to testify in support of the many policy recommendations in SB 135 that we believe will encourage significant numbers of adult learners to finish what they have already started. I would also once again like to say thank you to Senator Cirino for bringing this legislation forward. I would be happy to answer any questions that the committee may have.