



Representative Adam Mathews
56th House District

Representative Jim Thomas
49th House District

Chair Young, Vice-Chair Dobos, Ranking Member Miller, and members of the Higher Education Committee.

Thank you for the opportunity to introduce the Higher Education Return on Investment Act, also known as House Bill number 27. This simple common sense bill will help graduating seniors and their families set themselves up for success while highlighting the great value of our state institutions.

In our districts, and across Ohio, many families are rightfully concerned about the cost of college education and loan repayment. This bill has two goals. First, provide students and their families with the necessary financial information for successful higher education and a prosperous career. Second, provide our Ohio institutions with a great marketing tool, showing the value added by their degrees and beginning the educational relationship with a new student with transparency.

This bill applies to Ohio's state institutions of higher education. These include our state universities and colleges, community colleges and state community colleges, university branches, and technical colleges. Each institution would provide a financial cost and aid disclosure form to qualifying students as part of the student's initial financial aid packet, which is delivered after admission and completion of the FAFSA. A "qualifying student" under the bill is a newly admitted full-time student who is seeking a degree. The form must be provided to students prior to the institution's student admission decision deadline.

The bill requires the financial cost and aid disclosure form to provide the following:

- 1) Total costs, including general and instructional fees, room and board, and special fees;
- 2) All awarded sources of financial aid and what is required to maintain this aid;
- 3) The expected net cost of attendance calculated from the above;
- 4) The expected monthly student loan payment upon graduation; and
- 5) The income range, between the 25th and 75th percentiles, of the institution's most recent similar students and similar students from five years prior.

If the qualifying student has declared a major or enrolled in a particular school, income ranges are provided for graduates who had that major or were enrolled in that particular school.

The Chancellor of Higher Education develops the template form that addresses these requirements. Institutions are required to base their forms on this template, but have room and leeway to add additional

information as they see fit. However, the form is limited to one double-sided page in length if printed, to ensure simplicity.

Each Ohio state institution is already required by federal law to provide their costs. With the Free Application for Federal Student Aid (“FAFSA”) and a simple loan calculator, the financial aid and the expected monthly student loan payment can be calculated by the institution and provided to the students and their families.

For the income data, our preference is for the institutions to provide the internally collected data from their alumni. Many institutions already have salary/income data. If an institution has not collected its own data, the US Census Bureau has made that available in an easily downloadable form. The data is accessible and organized by institution, major group, individual major, and percentile. The link to that dashboard is below: <https://lehd.ces.census.gov/applications/pseo>

This type of disclosure form is common in other financial areas. Purchasing a home and securing a loan is often the most expensive purchase for a person. The cost of higher education is often the second most expensive purchase. As loan documents provide a summary page for the home loan, we are asking universities to provide a summary page for a student’s return on their investment in higher education.

The time is now for Ohio to lead in this field. We have done the work to bring all parties to the table, meeting with the Inter-University Council of Ohio (“IUC”), which represents Ohio’s 14 public universities, the Chancellor, the Community Colleges, Financial Aid advisors, and individual presidents and deans. Based on their input, the bill has been improved including the amendment before you today. We ask you to refer this bill favorably as we build a strong future for Ohio.