

Interested Party Testimony on HB 33 Written Testimony March 21, 2023 Submitted by Carrie Arblaster Vice President of Public Policy, Philanthropy Ohio

Chair Manning, Ranking Member Jarrells and Members of the House Finance Subcommittee on Higher Education, thank you for the opportunity to provide interested party testimony on HB 33.

I am Carrie Arblaster, Vice President of Public Policy at Philanthropy Ohio, a statewide association whose mission is to lead and equip Ohio philanthropy to be effective partners for change in their communities. We work to build the skills, knowledge and connections amongst grantmaking organizations, so they become more strategic and efficient in their efforts to support nonprofits and communities. Our nearly 200 members collectively hold more than \$30 billion in assets and in 2020 invested over \$1.9 billion into their communities. Additionally, in 2020 their total gifts received was over \$1.5 billion.

Since its creation in 2006, Philanthropy Ohio's Education Initiative has asserted that every child – regardless of zip code, gender or race – deserves an education that leads to successful employment in the 21st century economy. To that end, we have been strong advocates for expanding the Ohio College Opportunity Grant and requiring FAFSA completion for high school graduation.

Therefore, Philanthropy Ohio fully supports the following proposals in the Governor's executive budget:

Expansion of the Ohio College Opportunity Grant and the Creation of the Ohio College Access Grant

Ohio has a shortage of qualified workers with the knowledge and skills necessary to fill current job vacancies or to meet the future workforce demands needed to fuel and grow a healthier state economy. A healthy state economy is essential for a more robust tax base and reduced financial strain on public assistance programs.

According to the <u>2022 Aligning Opportunities Report</u> released in 2021 by Team NEO, by 2025 65% of Ohio's workforce will need some kind of post-secondary credential to be



competitive in the Ohio economy. Without this high rate of credential completion, Ohio's employers will struggle to find the workers they need to be successful.

A high school diploma is no longer enough -- Ohio's ability to close the talent gap to attract and retain jobs is the key to our economic future and hinges on the higher attainment educational levels of our population.

While both are significant, I want to emphasize the extreme importance of the Ohio College Access Grant. The decision to invest in those attending a community college is money well spent. According to the research brief *Building Ohio's Workforce through Stackable Credentials* by Rand Corporation, "Approximately 87 percent of certificate-earners in health care, MET, and IT fields earned their initial certificate at a community college, while 7 percent earned a certificate at an OTC and 6 percent earned a certificate at a university." Additionally, the brief goes on to state that individuals who start by earning a certificate or a credential are more likely to go on to earn a degree.

Creating a pipeline of support for those attending community college is an essential step to increasing Ohio's attainment rate and strengthening Ohio's economy.

Furthermore, it important to remember that the current investment proposed by the Governor would *restore* OCOG to where it should be had cuts to the fund not been necessary during the Great Recession.

This is why we support the proposed increased funding for the Ohio College Opportunity Grant and the creation of the Ohio College Access Grant.

Mandatory Completion of FAFSA as a High School Graduation requirement with exemption provision

FAFSA completion is a strong indicator of whether a high a school senior will attend college. According to the National College Access Network (NCAN), 92% of high school seniors who complete FAFSA attend college directly from high school, compared to 51% of students who do not file FAFSA.

FAFSA completion has a strong correlation with positive post-secondary outcomes.

FAFSA completers are also more likely to persist in their educations and receive a degree.



Federal aid dollars – primarily Pell grants – are left on the table

Ohio FAFSA completion rates have fallen to 52% (lower than the 61% national rate pre-COVID-19), because of this, Ohio students who do not apply leave roughly \$108 million in federal aid on the table. Ohio ranks 17th nationally for percentage of eligible students who completed FAFSA.

When combined, the data fully supports the proposed implementation of mandatory FAFSA completion as a high school graduation requirement. Equally important to this requirement is the general exemption or opt out provision. **We ask that both remain in HB33.**

Philanthropy Ohio recommendations concerning FAFSA:

- Provide funding to support the implementation of the FAFSA requirement and professional development for high school counselors. High school counselors are in the unique position to lead the efforts around student college and career readiness and need the skills and tools to help more families and students complete the FAFSA.
- **Support districts** with best practices for increasing completion and timely data for use in targeting completion efforts.
- **Require reporting and distribution** of FAFSA completion rates to superintendents.
- Change the ratio to one high school counselor for every 250 students.

Philanthropy Ohio remains steadfastly committed to ensuring that all students in Ohio have the opportunity and the support needed to pursue an education that leads to a successful life in the 21st century. We urge you to retain the Governor's proposals for OCOG, OCAG and FAFSA and to consider strengthening those proposals by carefully reviewing our recommendations.

Philanthropy Ohio remains committed to our work here in the state of Ohio and look forward to partnering with you.

I appreciate the opportunity to provide testimony and am available for follow-up questions if need be.