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**Committees:**

Education - *Ranking*  
Medicaid - *Ranking*  
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Health  
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**Sponsor Testimony – Senate Bill 128, Education Committee May 07 2024**

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Chair Brenner, Vice Chair O’Brien and members of the senate education committee, thank you for allowing me to provide sponsor testimony today on Senate Bill 128.

Proprietary schools, are typically advertised as an alternative option to traditional public education programs. A for-profit school may offer a message that declares their program to be accessible, affordable, or in demand. Whereas the outcomes they produce more than often fail to reflect their promises.

Transparency in the cost of education is relevant at all levels of educational attainment. On average, for-profit career college programs in Ohio cost more, leave students with more debt than programs offered through publicly funded institutions, and often result in their graduates earning less. The debt accumulated by Ohioans who choose for-profit career college programs arise from the comparably higher rates of tuition and a lack of regulations in regard to the distribution of state funds awarded to these institutions.

This General Assembly has focused on the importance of ensuring that our students are well-informed about the return on investment regarding their education. HB 27, as passed by both chambers, added a new layer of requirements regarding the return on investment for our public colleges and universities. HB 27 did not require the same transparency to be required of *all* of our educational institutions.

In 2021 the Federal Trade Commission investigated numerous for-profit colleges for the false promises they made to prospective students. The FTC Chair stated how these schools, without more oversight will continue to prey upon students, driving them into debt with little to no penalties. The FTC resurrected its Penalty Offense Authority to ensure that bad actors would be held accountable. At the state level, Ohioans who wish to enlighten and empower themselves through education deserve transparency.

SB 128 requires each K-12 community school with a for-profit operator, each for-profit career college or school (whether or not exempt from regulation by the State Board of Career Colleges and Schools), and each for-profit barber school or school of cosmetology to post to a specified notice about the for-profit status of the school or institution. Additionally, these schools and institutions must disclose on their official websites, all promotional digital and print media, and contracts for instruction the fact that they are for-profit business.

Furthermore, the disclosure must be made in a type size as large or larger than any other text on the school’s or institution’s website, the media, or the contract. It also must be presented in a manner reasonably calculated to draw the attention of the reader.

Ensuring the protection of consumers and students of Ohio requires us to hold for-profit education institutions accountable. SB 128 is a simple standard that will equip Ohioans with knowledge to better inform their journey of educational achievement. We must safeguard our students at every level from the possibility of having no return on their investment at all.

Thank you members of the Senate Education committee for allowing me to testify today for Senate Bill 128. I will take any questions at this time.

P.S.\*

In 2018 the well know online charter school, ECOT, was closed after Ohio's auditor found the company to be inflating enrollment data and ultimately defrauding the taxpayers of Ohio. While ECOT was not explicatedly a "for-profit" school the private operators of ECOT collected roughly a billion dollars of taxpayer money over the two decades of it operation. The online charter school ended up owing the state of Ohio \$117 million dollars. As we expand our charter school operations here in the State of Ohio we must do our due diligence to ensure a situation such as ECOT, never happens again.