

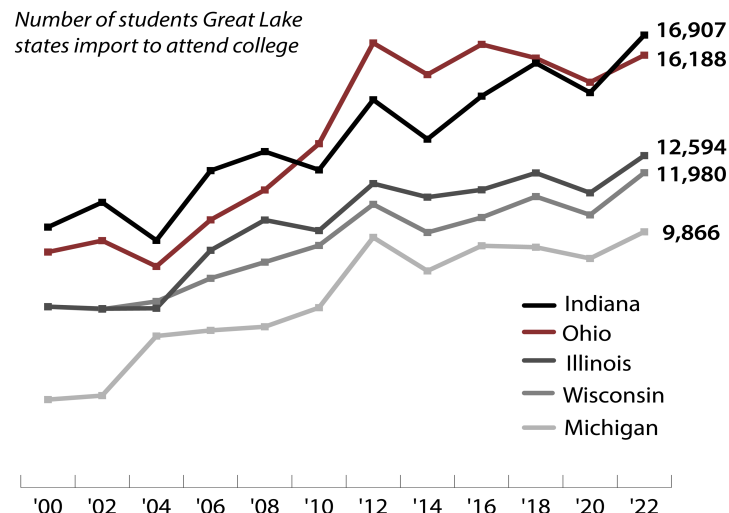


Chair Roegner, Ranking Member Ingram, and members of the Senate Higher Education Committee. My name is C. Todd Jones, and I am President and General Counsel of the Association of Independent Colleges and Universities of Ohio (AICUO).

AICUO represents 50 independent, non-profit colleges in every region of the state. Independent colleges are not just educational institutions—they are economic drivers, major employers, and key contributors to workforce development across our state. Independent colleges are vital to Ohio's workforce and population growth, attracting over 16,000 students each year from other states. This influx helps build a skilled workforce, fuels the economy, and supports communities—all with minimal state investment.

Indiana and Ohio in Competition for Most Students in the Region

Incentives like the Governor's Merit Scholarship help Ohio keep its lead

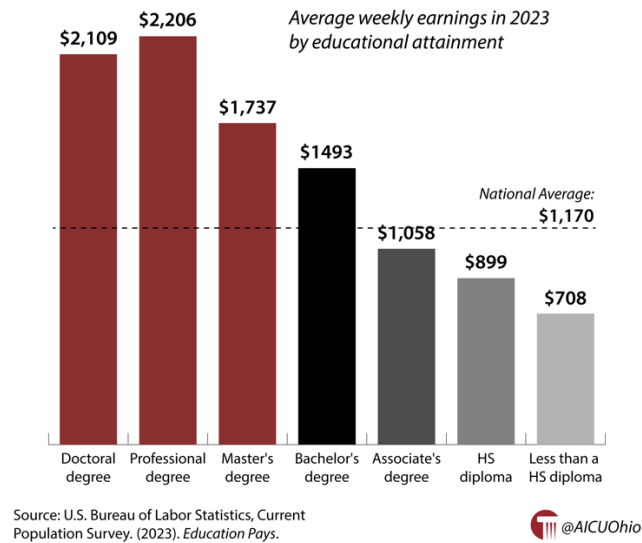


Note: First-time degree-seeking students only.
Source: IPEDS Fall Enrollment. (2022).

 @AICUOhio
#OHbudget

Ohio needs a broad approach to post-secondary education. Our state must produce more graduates at every level—technical certifications, associate degrees, bachelor's degrees, and advanced graduate degrees. It is not about choosing one path over another; it is about finding the right fit for every student.

Learn More, Earn More



Governor's Merit Scholarship. While I had hoped to be here today to highlight positive developments in the House's version of the budget, I instead want to draw your attention to changes the House made to the Governor's Merit Scholarship (GMS) Program.

The GMS has been around for two years and has already seen over 1,745 student-recipients choose to stay in Ohio and continue their education at an independent college. In fact, the program is so successful that the number of students who chose to stay in Ohio was above what the Ohio Department of Higher Education (ODHE) had originally predicted.

However, the House-passed version of the budget seeks to overturn that wonderful work and tells Ohio's best and brightest that they should look outside of the state for college. The final version inexplicably chose to tie student scholarships to the requirement that independent colleges would adhere to certain provisions of Senate Bill (SB) 1 and automatically accept the top 10 percent of Ohio's graduating class.

This committee knows well, and as the sponsor is very aware, Senate Bill 1 and its predecessor, Senate Bill 83, did not include independent colleges. This committee also remembers the hours of hearings and debate for the bills, and the changes made to the bills over many months to ensure they were the best versions they could be. The House budget process was the opposite. It did not allow for debate, conversation, or even one hearing.

First, I want to be clear that our concerns are not about DEI and SB 1. This year, there have been multiple major federal Executive Orders on DEI, and the U.S. Department of Education has issued several guidelines ending the practice. Our concerns are about the very nature of our institutions and what it means to be a private, nonprofit institution. For example:

Religious Exemption Concerns. While the bill includes a provision intended to protect religiously affiliated institutions, allowing exemptions based on "truly held religious beliefs," this language leaves the final determination to the Chancellor. Are we really leaving it in the hands of the government to determine what qualifies as a truly held religious belief? That judgment should rest with the institution and students who practice the faith, not with a government appointee who may not even share or understand that faith. This represents a significant overreach into matters of faith and governance that should remain firmly within the institutions themselves.

Top 10 Percent Admission Requirement. The requirement that independent institutions admit the top 10 percent of high school graduates fails to recognize the fundamental differences between public and independent colleges. This provision places stricter requirements on independent institutions than the state has placed on its public counterparts. Public universities have the infrastructure with branch campuses, large-scale facilities, and state funding to absorb enrollment increases. Independent institutions operate on much smaller scales, with eight of our members functioning out of a single academic building. Imposing this mandate without providing financial or logistical support places an impractical burden on private colleges.

Board of Trustees Requirements. AICUO-member-institution trustees serve because they believe in the mission of the university. Many of our institutions require a portion of their boards to be comprised of individuals from the sponsoring religious affiliation. It would also restrict their ability to speak their minds publicly. For example, this language would prohibit a pastor, who serves on Cedarville University's board, from speaking out against abortion. Requiring neutrality is antithetical to the reason we exist—to be a private place where freedom of religion and freedom of speech are protected.

If that mission is taken away, what then distinguishes independent institutions from public ones?

State-Mandated Student Evaluations, Peer Review Systems, and Faculty Workload Guidelines. These three sections would erode the core organizational structure that makes independent colleges independent. A government-created one-size-fits-all approach does not work at an institution with only 200 students. Our universities pride themselves on offering unique and innovative ways to communicate with their students, faculty, and staff. Forty-nine out of 50 institutions do not have unions, nor do we have the pocketbook of our public partners to offer higher salaries. Faculty and staff choose to work at our institutions because of the very nature of what they are. This would tell colleges and universities to stop thinking creatively and become one homogeneous system.

Specifically, the budget requires standardized student evaluations, including questions about whether classroom environments are free of religious bias. For many private colleges, religious identity is not incidental—it is foundational. Faith-based institutions openly incorporate religious teachings into their academic and community life. Requiring evaluation prompts that assume religious neutrality directly conflicts with the mission of these schools and disregards their right to define their educational approach.

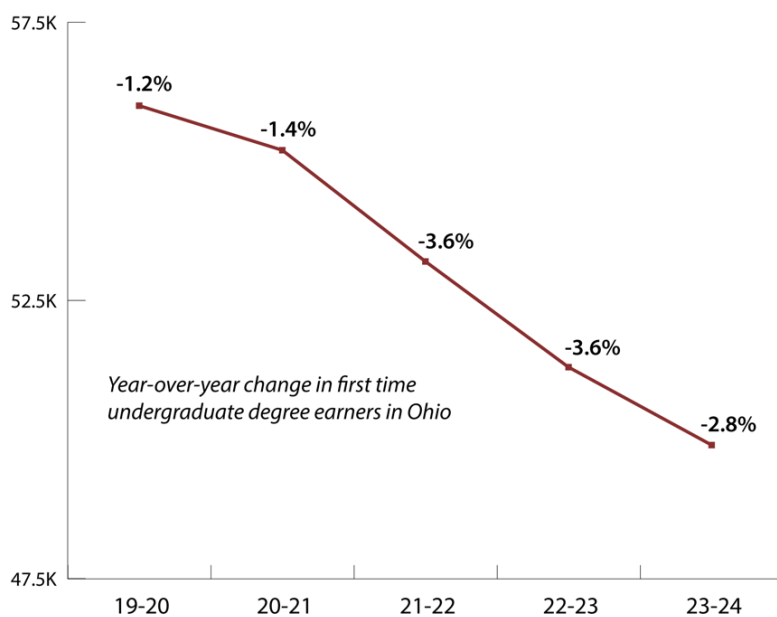
For the sake of brevity, these are only concerns about three of the mandates that the House version of the budget places on independent colleges. There are others. But I ask, is this truly the path the state wants to follow with independent colleges, transforming them into publicly controlled institutions in everything but name? When the state dictates our missions, board structures, curriculum, hiring practices, workloads, and public engagement, the autonomy that defines nonprofit institutions disappears. If we are to be treated as public institutions, then it is only fair that we receive the same State Share of Instruction funding as our public counterparts.

At a time when Ohio is actively expanding school choice for K–12 students, it is both contradictory and deeply concerning to limit those same choices for students pursuing higher education. If a high-achieving high school senior wants to attend a private, faith-based institution, the House budget breaks down all hurdles and ensures the student has funding to attend. However, if that same student wants to continue their faith-based education with the GMS, the House is basically telling them, “Too bad, go out of state.”

Ohio’s future workforce is dwindling, and the Ohio Bureau of Labor Market Information predicts that by 2028, 58 percent of Ohio’s job growth will be in occupations requiring at least a bachelor’s degree. If this body cares about Ohio’s future economic development, it will ensure as many educational options are available to its students as possible.

Ohio’s Future Workforce is Dwindling

Bachelor degree earners declined to their lowest level since 2016



Source: *Undergraduate Degree Earners*. (April 10, 2025).
National Student Clearinghouse Research Center.



We ask that the Senate undo the House changes to the GMS and reinforce the view that for Ohio to thrive, we need Ohio students to stay, learn, and work in Ohio.

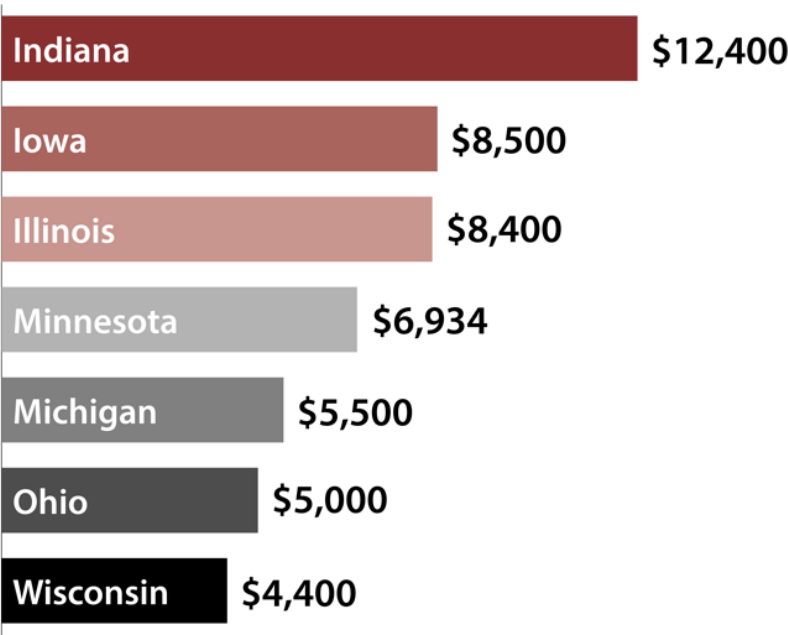
Other notable provisions in the budget included by the Governor and the House have a positive impact on independent institutions and the students we serve, including:

Ohio College Opportunity Grant (OCOG). OCOG is Ohio’s long-standing need-based student aid program for tuition and fees. The Executive Budget funds the program with a slight increase to \$220 million in the first year and \$207 million in the second, up from the current \$200 million. The increase is necessary to maintain current student funding levels without expanding the program’s scope. The funding adjustment in the second year reflects the federal government’s change in its system for calculating need-based aid, ensuring that the Ohio grant amount stays the same. AICUO is grateful to the House for continuing this vital support and for maintaining the funding necessary to serve Ohio students.

Under the budget, the maximum award amount will remain at \$5,000 at independent non-profit institutions. While AICUO is grateful for the support, Ohio clearly lags behind our Midwest neighbors. If Ohio is serious about a future workforce, it must do more to encourage kids to stay, learn, and earn in Ohio.

Other States Do More for Need-Based-Aid-Eligible Students

Maximum need-based state grant awarded to first-time, full-time undergraduates at private, nonprofit colleges



Source: *Increase Student Aid Funding to Keep Talent in our State, Grow our Workforce.* (Jan. 14, 2025). Wisconsin’s Private Colleges.



Online Program Managers (OPMs). AICUO worked closely with ODHE on provisions regarding OPMs included in the House-passed version of the budget. The revised language encourages institutions to consult with ODHE prior to entering OPM agreements and requires institutions to publicly disclose existing partnerships. This approach strikes a balance between institutional autonomy and appropriate oversight.

Student Mental Health. In 2020, Governor DeWine was the first governor in the nation to dedicate student-focused mental-health funds to independent colleges. Unfortunately, the House removed this crucial funding from the current version of the budget. AICUO strongly supports reinstating this funding as included in the Governor's Executive Budget, as it plays a critical role in supporting the well-being of students across our campuses.

Additional Programs. AICUO also supports the following programs in the Governor's Executive Budget:

- Choose Ohio First. The Governor's Executive Budget proposed an increase for this STEM scholarship program; however, the House reduced funding back to last fiscal year's levels. AICUO would support a greater investment in this program to allow for further student participation and to strengthen Ohio's STEM workforce pipeline.
- Higher Education Public Policy Research Consortium. AICUO institutions are included in the newly established Research Consortium, which aims to create a statewide research agenda and award competitive research grants of up to \$10,000.
- Direct Admission. AICUO supports the proposed new direct admissions program. Independent institutions welcome increased efficiency in the admissions process, which will make it easier for students to access higher education opportunities and find the right fit for their needs.
- Grow Your Own Teacher Program. Established in the last operating budget, the program provides scholarships to low-income high school seniors and certain employees who commit to teaching in a qualifying school for at least four years after graduating from a teacher-training program.
- Ohio Tech Talent Initiative. HB 96 proposes a new initiative to expand engineering-technician education for students in semiconductor and advanced manufacturing fields.

Before closing, I want to emphasize a key aspect of our budget request. Ohio's independent nonprofit colleges receive **zero** operating dollars from the state. Let me repeat that: **zero operating dollars** from the state. When you invest in these programs, you are investing in **students, not institutions**.

Thank you, and I would be happy to answer any questions you may have.