



**Written Testimony of Laura Lanese  
Interested Party to House Bill 96  
Before the Senate Higher Education Committee  
May 13, 2025**

**Introduction**

Chair Roegner, Vice Chair Timken, Ranking Member Ingram, and members of the Senate Higher Education Committee, thank you for the opportunity to submit testimony as an interested party to House Bill 96. My name is Laura Lanese, and I serve as President and CEO of the Inter-University Council of Ohio (IUC). Established in 1939, the IUC represents Ohio's 14 public universities, which together educate hundreds of thousands of students and drive innovation across the state.

On behalf of these institutions, I urge the Senate to prioritize sustained investment in higher education through an increase in State Share of Instruction (SSI) funding. The IUC fully supports Governor DeWine's student access initiatives in HB 96 but believe these initiatives must be paired with a 2% year-over-year increase to SSI for the long-term financial stability for our public universities. We are grateful that the Ohio House recognized the importance of Ohio's investment in public higher education and included a 2% year-over-year increase in SSI funding in its as passed budget. Ohio's economic competitiveness, workforce strength, and research leadership depend on this investment.

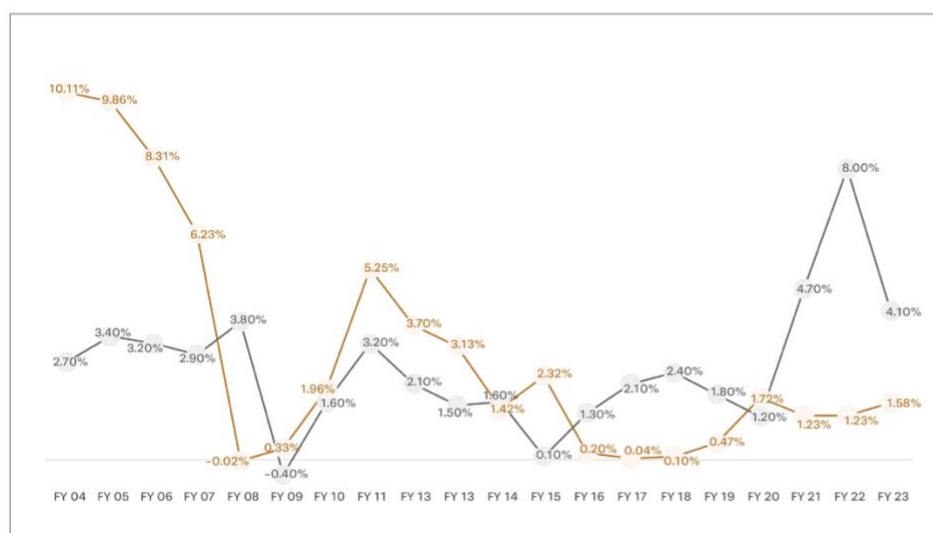
SSI is not just an education expenditure—it is a direct investment in Ohio's future with the state receiving a significant return on its investment at 12%. Strategically investing in Ohio's public universities strengthens the state's economy, enhances national security, prepares a highly skilled workforce, fosters world-class research, and ensures a well-educated citizenry. Without this investment, Ohio risks falling behind competing states that are aggressively funding higher education to attract business, talent, and research opportunities.

The IUC is also requesting that the 3% cap on tuition for student cohorts entering in academic years 2025-2026 and 2026-2027 be removed from the bill's language. The IUC supports the Ohio Tuition Guarantee program which requires state universities to establish a program that allows eligible students in the same cohort to pay a fixed rate for general and instructional fees for four years. The program permits public universities to increase their guaranteed tuition amounts for eligible students in the same cohort by up to the sum of the average rate of inflation for the previous 36-month period, unless otherwise restrained by the General Assembly. This change will ensure Ohio's public universities are able to properly maintain necessary goods and services for students

(i.e. security, food, electricity, technology, etc.) that have seen massive price spikes over the past few years due to inflation.

When the 130<sup>th</sup> General Assembly passed the Ohio Tuition Guarantee program, the intent was to orient tuition toward a freer market model that would ultimately benefit students. As you can see in the chart below, this program has worked successfully as Ohio's public institutions of higher education have responsibly and consistently held tuition increases well below the rate of inflation since 2016, immediately after the program went into effect.

## Increase in Tuition vs. Increase in CPI



Public universities play a far greater role in Ohio's success than simply educating students. They are our state's superpower and are a critical strategic asset worthy of investment by the state. Without a strong higher education foundation, Ohio cannot compete with other states—or the world—in these areas. A strong public higher education sector is necessary to advance four key priorities that will shape Ohio's future. These priorities are:

- Economic Competitiveness & National Security – Higher education is a pillar of Ohio's economic strength and global standing. Failing to invest in universities puts the state at a disadvantage against rival states like Texas, Florida, and states throughout the Midwest, as well as against foreign competitors like China.
- Workforce & Talent Development – Ohio is experiencing critical labor shortages across key industries. Public universities must have the resources to train, retain, and expand the state's skilled workforce.

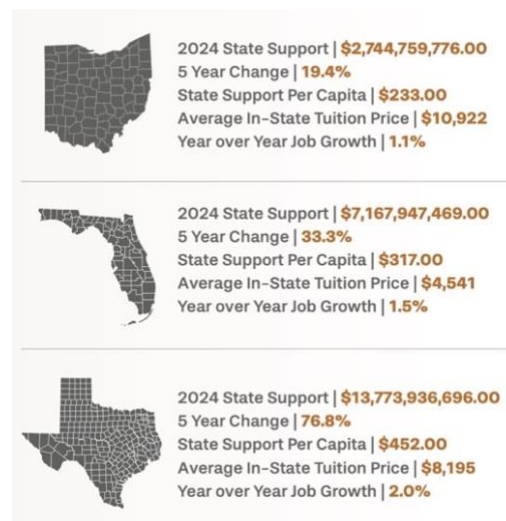
- Research & Innovation – Universities drive technological advancements and attract major industry partnerships that fuel billions of dollars in economic activity.
- Affordability & Student Success for a Well-educated Citizenry – Ensuring that higher education remains accessible through low tuition, reduced student debt, and cost-saving initiatives requires sustained public investment so more Ohioans can reach their potential.

The work being done at our public universities and by our students benefits all Ohioans, even if they never step foot on campus at one of our 14 public universities. Through the Ohio Sea Grant, which was funded in the as introduced and House passed version of HB 96, The Ohio State University and University of Toledo are leading research to solve the harmful algal bloom problem in Lake Erie.<sup>1</sup> Another prime example is NEOMED’s free medical clinic, a student-run program that provides free, non-emergency medical care to underserved populations in Northeast Ohio.

By ensuring our public universities are adequately funded through both an increase in SSI funding and allowing them to maintain responsible tuition increases that are tied to inflation, Ohio and its citizens will be well-positioned for long-term success. Without action, we will lose talent, industries, and economic opportunities to states and nations that are making higher education a strategic priority.

## Priority #1: Economic Competitiveness & National Security

Higher education is not just about academics—it is a strategic driver of economic growth, workforce development, and national security. A well-funded public university system attracts high-tech industries, fuels job creation, and ensures America maintains its leadership in innovation and defense. However, Ohio is falling behind high-growth states that are making higher education a top priority.



Ohio ranks among the bottom 10 states in per capita higher education funding, while states like Texas and Florida have dramatically increased their investments in state institutions of higher education—by 10.5% and 6.6% per year, respectively.<sup>2</sup> These investments have made their public universities engines of economic expansion, attracting businesses and high-wage jobs. Meanwhile, Ohio’s lack of investment puts it at risk of losing talent, businesses, and development opportunities to states that recognize higher education as a core economic strategy. Most importantly, it sends a signal to

<sup>1</sup> <https://ohioseagrant.osu.edu/research/collaborations/habs>

<sup>2</sup> <https://shef.sheeo.org/grapevine/>

potential employers that Ohio is not serious about developing the talent pipeline essential for their company's success.

Companies looking to expand in advanced manufacturing, biotechnology, and aerospace depend on research universities to supply talent and drive innovation. Businesses cannot continue to confidently relocate or grow in Ohio without a steady pipeline of highly skilled professionals. Competitor states are aggressively funding their universities to meet these demands, while Ohio's underinvestment will make it harder to attract and retain key industries.

The data strongly supports the economic importance of public institutions of higher education. A 2023 analysis of the economic impact and return on investment of higher education, commissioned by the IUC, found that for every \$1.00 invested in Ohio education, Ohio taxpayers gain \$4.60 in added tax revenue and public sector savings. Furthermore, public universities in Ohio support one in eight Ohio jobs (866,782 jobs) and bring in \$68.9 billion in added income to the state.<sup>3</sup>



Beyond economic growth, Ohio's universities also play a vital role in national security. Thousands of military-connected students are enrolled in Ohio's public universities, many of whom will go on to lead in defense, intelligence, and cybersecurity. Public universities are also conducting critical research in AI, quantum computing, and cybersecurity, which will define America's technological and military edge. States like North Carolina have invested heavily in university-led defense research, securing federal contracts and positioning themselves as hubs for national security innovation.

If Ohio does not strengthen its higher education investment, it risks not only falling behind in defense-related research funding and workforce development but losing out on generational opportunities like the relocation of NASA's headquarters. NASA employs over 17,000 professionals in various roles, with advanced degrees being a requisite for many positions, particularly those involving science, engineering, and research. While specific numbers of advanced degree holders at NASA are not publicly available, it is understood that many of the agency's scientists, engineers, and researchers hold advanced degrees.

As noted in Ohio Senate Resolution 68, "Ohio's highly skilled workforce, robust transportation infrastructure, and developed manufacturing sector make Ohio a strategic location to support NASA's operations".<sup>4</sup> If Ohio is to succeed in securing NASA's relocation to the state, our higher

<sup>3</sup> [https://iuc-ohio.org/wp-content/uploads/2024/01/IUC-Economic-Impact-Study-MainReport\\_2122\\_Final.pdf](https://iuc-ohio.org/wp-content/uploads/2024/01/IUC-Economic-Impact-Study-MainReport_2122_Final.pdf)

<sup>4</sup> [https://search-prod.lis.state.oh.us/api/v2/general\\_assembly\\_136/legislation/sr68/03\\_EN/pdf/](https://search-prod.lis.state.oh.us/api/v2/general_assembly_136/legislation/sr68/03_EN/pdf/)

education infrastructure must continue to support an increase of in-demand jobs that require advanced degrees.

This is not just a statewide issue—it is a global race for technological and economic dominance. China has doubled its higher education funding over the last decade, increasing investment by 7.6% annually<sup>5</sup>, fueling advancements in AI, quantum computing, and advanced manufacturing. Instead of a policy of only sending students abroad for their education, China is now building elite institutions to attract global talent—a direct challenge to U.S. universities. While states like Texas and Florida have responded with bold higher education investments, Ohio has not. Without action, Ohio will not only lose talent and businesses to other states—it will fall behind in the global race for innovation, workforce leadership, and national security strength.

Some argue that Ohio should focus on tax incentives rather than higher education funding, but this is a false choice. Businesses cannot succeed without a highly skilled workforce. Industries like biotechnology, aerospace, and cybersecurity rely on strong university-industry partnerships. Research universities do more than supply talent—they drive innovation, secure federal research grants, and serve as anchors for high-tech industry clusters. Underfunding higher education will increase costs elsewhere, forcing Ohio to spend more on workforce retraining, unemployment benefits, and economic recovery.

Ohio has a choice: invest in our universities as drivers of economic and national security strength or continue losing ground to states making bold higher education investments. A 2% year-over-year increase in State Share of Instruction (SSI) funding for our public universities, as proposed and passed in the House budget, is a strategic, cost-effective investment that will allow Ohio to compete for high-wage industries, lead in defense and groundbreaking research, and position its universities as national hubs for workforce and innovation. The longer Ohio waits, the further behind we will fall.

## **Priority #2: Workforce & Talent Development**

Ohio's economic strength depends on the availability of a highly skilled workforce, yet the state faces critical labor shortages across key industries. Employers in healthcare, engineering, information technology, education, and advanced manufacturing are struggling to find qualified workers, limiting business expansion and economic growth. Despite Ohio ranking as the seventh-best state for business, it lags behind at 38<sup>th</sup> in workforce readiness<sup>6</sup>, creating a widening gap between employer needs and the supply of trained professionals. Without sustained investment in higher education, Ohio will fail to produce the skilled workforce necessary to sustain its industries, fill high-demand jobs, and attract new business development.

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<sup>5</sup> <https://www.brookings.edu/articles/as-chinas-economy-advances-investments-into-public-education-expand/>

<sup>6</sup> <https://www.cnbc.com/2024/07/11/americas-top-states-for-business-full-rankings.html>

Ohio’s public universities are central to solving this workforce crisis, but they need sufficient state funding to expand high-demand programs and increase capacity in critical fields. Right now, Ohio is experiencing severe shortages in many areas, but especially in healthcare, IT, and engineering, with thousands of unfilled positions that require specialized training.<sup>7</sup> The state will need an estimated 1.1 million new workers by 2030 to meet employer demands, yet enrollment in essential programs remains constrained by funding limitations. The costs are felt elsewhere as well. For example, the costs of cybersecurity specialists can be seen in the devastating impact when our major cities are hit with cyberfraud. Without adequate SSI funding, universities cannot expand programs, upgrade facilities, or recruit faculty to train the next generation of Ohio’s workforce.

The need for a strong workforce development strategy goes beyond technology and manufacturing. Ohio also faces shortages in teaching, social work, and mental health professions, all of which play a critical role in sustaining the state’s economic and social infrastructure. These careers are vital to the long-term well-being of Ohioans.

	# of job openings per year	Average salary	Min. degree needed
<b>Doctors</b>	1,200	\$259,000	Professional
<b>R&amp;D Professionals</b>	3,000	\$154,000	Bachelor's
<b>Lawyer</b>	1,100	\$102,000	Professional
<b>Engineers</b>	7,100	\$96,000	Bachelor's
<b>Advanced Manufacturing</b>	7,100	\$77,000	Associate/Bachelor's
<b>IT Professionals</b>	6,000	\$71,000	Associate/Bachelor's
<b>Teacher</b>	9,700	\$58,000	Bachelor's
<b>Social Worker</b>	3,800	\$54,000	Bachelor's/Master's

To meet workforce demands, Ohio’s public universities have developed innovative employer partnerships, cooperative education models, and career-aligned training programs that place students into high-demand jobs before they even graduate. Programs like regional workforce development collaborations, industry-sponsored apprenticeships, and university-led co-op programs have already proven effective in closing skills gaps and improving job placement rates. The University of Cincinnati’s co-op program, one of the largest and oldest in the nation, placed over 8,300 students in paid industry positions during the 2023-24 academic year, generating nearly \$88.8 million in wages.<sup>8</sup> These kinds of workforce-aligned programs directly benefit students and employers alike, but they require state investment to expand.

Ensuring Ohio has a strong workforce pipeline also means encouraging more graduates to build their careers here. Many highly skilled Ohio students are drawn to other states that offer attractive

<sup>7</sup> <https://www.odjfs.state.oh.us/forms/num/JFS77100/pdf/>

<sup>8</sup> <https://www.uc.edu/news/articles/2024/07/co-op-2024.html>

economic incentives and robust career opportunities. Programs like Miami University's Hometown Talent Initiative have been created to strengthen local job placement and keep talent in Ohio, but they are still too small in scale to reverse the state's workforce challenges. If Ohio does not invest in higher education and career-aligned workforce programs, businesses will continue to struggle with talent shortages, and the state will lose more college-educated workers to better-funded states.

Ohio has an opportunity to develop a workforce that will sustain its economy for decades to come, but it cannot happen without investment in its public universities. A 2% year-over-year increase in SSI funding, as proposed and passed in the House budget, will allow universities to expand high-demand programs, enhance career training opportunities, and maintain affordability. Without this investment, Ohio will continue to fall behind in workforce readiness, creating long-term economic consequences that will weaken its ability to attract businesses, sustain job growth, and create a healthy economy for the state.

### **Priority #3: Research & Innovation**

Ohio's public universities are the backbone of high-impact research, driving technological advancements that fuel economic growth, attract investment, and strengthen national security. However, without sustained funding, Ohio risks losing its position as a leader in research and development to states making far larger investments in their higher education systems.

The IUC was heartened by the creation and funding of a Public Policy Research Consortium on Higher Education in the House passed version of HB 96. As currently written, the consortium would "develop and maintain a biennial statewide research agenda that identifies key policy challenges and research priorities crucial to the state's future, drawing on input from policymakers, practitioners, and community stakeholders". As currently written, the consortium will receive \$1 million in each fiscal year to award competitive grants of up to \$10,000 per award. The creation of this consortium would represent a positive step toward building on Ohio's strength in academic research, but additional investment is still needed.

It is no secret that Ohio has a long history of pioneering innovation, from the Wright brothers' first flight to the IBM Quantum System One installed at Cleveland Clinic last year. The IBM Quantum System One will be the first quantum computer in the world to be uniquely dedicated to healthcare research to accelerate biomedical discoveries and Ohio's public universities like Cleveland State, Kent State and Miami University have already jumped in to partner with this exciting new development. Miami's Bachelor of Science in Quantum Computing program will officially launch in August and is believed to be the first program in the nation to focus on the software aspects of

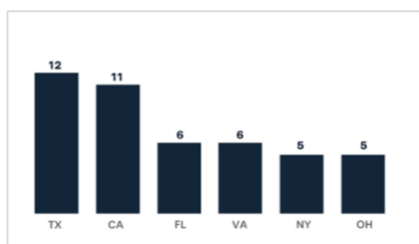
quantum computing.<sup>9</sup>

University-led research is a direct economic driver for Ohio. Each year, research conducted at Ohio's public universities generates \$1.9 billion in economic activity and supports over 24,460 high-paying jobs.<sup>10</sup> Academic research also serves as a catalyst for business attraction and private-sector partnerships. Companies looking to relocate or expand their operations prioritize states with strong research institutions, access to cutting-edge technologies, and highly skilled talent pools. When states invest in research-intensive universities, they create economic ecosystems that foster innovation, drive job creation and attract federal and private research funding.

Ohio has already demonstrated its ability to compete in this space. The Ohio State University Wexner Medical Center's \$105 million collaboration with Siemens Healthineers is a prime example of how public universities and private industry can work together to develop breakthrough technologies.<sup>11</sup> This partnership is advancing AI-driven medical imaging solutions that will transform early disease detection, reduce healthcare costs, and improve patient outcomes. Similarly, the University of Akron's Timken Foundation Center for Precision Manufacturing is developing next-generation materials and manufacturing techniques, ensuring that Ohio remains a leader in advanced manufacturing.<sup>12</sup> These research partnerships not only create immediate economic benefits but also help Ohio maintain its competitive edge in emerging industries.

Despite Ohio's research strengths, it is facing growing competition from other states that have made significant, long-term investments in university-led innovation. Texas currently invests \$4.3 billion annually in higher education research, and in 2023, Texas voters approved an additional \$3.9 billion endowment to enhance university research capacity.<sup>13</sup> This kind of sustained, large-scale funding commitment has enabled Texas to attract world-class faculty, secure major federal research grants, and drive innovation at a national and global scale. Ohio, on the other hand, has struggled to keep pace, even though its universities remain highly competitive in key research

Number of R1 Research Institutions



areas. Without additional investment, Ohio's research institutions will face greater difficulty attracting federal research dollars, building industry partnerships, and maintaining their leadership in high-impact fields.

Ohio is one of only a few states where 11 out of 14 public universities hold either an R1 or R2 research classification,

<sup>9</sup> <https://miamioh.edu/news/2025/03/miamis-new-quantum-computing-degree-approved-by-ohio-department-of-higher-education.html>

<sup>10</sup> [https://iuc-ohio.org/wp-content/uploads/2024/01/IUC-Economic-Impact-Study-MainReport\\_2122\\_Final.pdf](https://iuc-ohio.org/wp-content/uploads/2024/01/IUC-Economic-Impact-Study-MainReport_2122_Final.pdf)

<sup>11</sup> <https://www.siemens-healthineers.com/press/releases/ohio-state>

<sup>12</sup> [https://www.uakron.edu/im/online-newsroom/news\\_details.dot?newsId=0379d3ec35e22bbb105a736a877c6b0b](https://www.uakron.edu/im/online-newsroom/news_details.dot?newsId=0379d3ec35e22bbb105a736a877c6b0b)

<sup>13</sup> <https://www.utsystem.edu/news/2024/04/30/ut-institutions-collectively-surpass-43-billion-research-fiscal-year-2023>



indicating high or very high research activity and it is in the top five states with five R1 institutions.<sup>14</sup> This distinction allows Ohio universities to secure major federal grants, collaborate with leading private sector partners and drive technological advancements that benefit both the state and the nation. However, maintaining these classifications requires ongoing investment in research infrastructure, laboratory space, and faculty recruitment—areas that cannot be sustained without increased SSI funding.

Beyond traditional research areas, Ohio's universities are also at the forefront of emerging fields that will define the future economy, including strategic partnerships with business, health care, and other government entities. For example, Wright State University has several collaborative efforts with Wright Patterson Air Force Base. One notable joint research endeavor focuses on analyzing brain signals, commonly referred to as brain waves, to enhance the cognitive performance of Air Force personnel. This project benefits from WSU's advanced research facilities and exemplifies the mutual advantages of the WSU-AFRL.<sup>15</sup> These cutting-edge research projects create real-world solutions to global challenges, and the economic benefits of these advancements will be felt for decades to come.

Other examples from Ohio's public universities include:

The University of Akron: Two University of Akron professors who have been awarded research grants to participate in the Department of Energy's Vision program. These professors are working on groundbreaking solutions for energy generation such as nuclear fusion and geothermal, as well as infrastructure challenges with power transmission and grid reliability.

Bowling Green State University: In partnership with regional institutions, BGSU is contributing to the Northwest Ohio Glass Innovation Hub, a \$31.3 million project funded by the Ohio Department of Development. This hub aims to position Ohio as a global leader in glass technology through industry-led research, potentially increasing state tax revenue by \$25 million and producing over 200 new STEM graduates to meet workforce demands.

Central State University: A cornerstone of CSU's research endeavors is its Agricultural Research and Development Program (ARDP), which focuses on areas such as animal and plant sciences, food nutrition and health, natural resources and environmental studies, and advanced technologies. This program aims to address critical challenges in agriculture and sustainability, benefiting both local and global communities.

Cleveland State University: The Center for Gene Regulation in Health and Disease (GRHD) at

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<sup>14</sup> <https://carnegieclassifications.acenet.edu/carnegie-classification/basic-classification/>

<sup>15</sup> <https://webapp2.wright.edu/web1/newsroom/2024/12/17/expanded-agreement-provides-air-force-researchers-more-access-to-work-on-wright-states-campus/>

Cleveland State University was launched in 2008 with a \$900,000 grant from the Ohio Third Frontier Commission's Ohio Research Scholars Program. Since then, that state investment has leveraged over \$50 million in extramural funding. The Center is ranked among the top ten gene research centers in the country. This highly collaborative environment brings together faculty and students who are making groundbreaking discoveries and contributing greatly to the local, national, and international scientific community.

Kent State University: KSU's faculty in the College of Aeronautics and Engineering are researching desulfurization of fuel for use with fuel cell technology and the use of fuel cells to significantly increase Unmanned Aerial Vehicles (UAVs/drones) flying distance and duration.

Miami University: The Advanced Manufacturing Workforce and Innovation Hub is a cutting-edge partnership between Miami University, the Butler County Commissioners, the City of Hamilton, and Butler Tech Career Technical Center that aims to develop an educated workforce serving all Ohioans. The Hub will work to serve the region's needs and serve as a catalyst for community and economic growth. Students of all ages will have access to a variety of distinctive pathways to meet all levels of need in the manufacturing sector—from associate degrees in engineering technology, industry-recognized credentials and microcredentials, to degrees in robotics, electro-mechanical engineering, and more.

Northeast Ohio Medical University: The Neurodegenerative Disease and Aging Research Focus Area at NEOMED brings together a collaborative team of researchers dedicated to studying three of the most prevalent age-related neurodegenerative diseases: Alzheimer's disease (AD), Parkinson's disease (PD), and glaucoma. Their mission is to identify, develop, and validate new biomarkers and treatments to advance early detection and improve therapeutic outcomes for these conditions.

The Ohio State University: Researchers at The Ohio State University have developed ParaWave, an advanced drone technology system designed to assist first responders and law enforcement by providing real-time aerial surveillance and situational awareness. This cutting-edge innovation enhances emergency response, disaster recovery, and public safety by using AI-powered imaging and rapid deployment capabilities.

Ohio University: Researchers at the Heritage College of Osteopathic Medicine have identified that limiting growth hormone reception may significantly reduce the development of osteoarthritis, offering a promising avenue for prevention.

Shawnee State University: Shawnee State University has entered into a memorandum of understanding with Airable Research Lab, an organization that develops soy bio-based products for industrial and consumer use. The \$1 million investment will result in a 1,500 square foot

bioprocessing lab and is a part of a larger, \$5 million renovation to Shawnee State's Advanced Manufacturing Center.

University of Cincinnati: University researchers are using artificial intelligence to improve the early detection of lung cancer, a breakthrough that could save thousands of lives by identifying cancerous cells far earlier than traditional methods.

The University of Toledo: UToledo astronomers are actively engaged in groundbreaking studies of the cosmos, utilizing advanced facilities like the James Webb Space Telescope. Their research aims to uncover the mysteries of star formation and the fundamental processes of the universe.

Wright State University: The Kno.e.sis. Center at Wright State focuses on bio-health innovations. This research includes Web 3.0, semantic web technologies, social data analysis, machine learning, and bioinformatics.

Youngstown State University: The Youngstown State University's Small Business Service Center has operated for 38 years. In 2025 the Center is expected to advise 130 small business which are classified as long-term clients. The Center is expected to create 26 new businesses. There will be a capital infusion of nearly \$8 million in loans, credit, self-investment, or equity. Over 2,500 hours of counselling services will be provided and 35% of the long-term clients will report an impact.

Research investment is not just about prestige—it is about jobs, business growth, and technological leadership. With companies increasingly looking to locate near major research institutions, maintaining a strong university research ecosystem is essential for keeping Ohio competitive. Failing to increase SSI funding will make it harder for Ohio's universities to secure federal research dollars, attract top faculty, and drive breakthrough discoveries that will shape the next century of economic and technological growth.

A 2% year-over-year increase in SSI funding, as proposed and passed in the House budget, would help Ohio's public universities remain at the forefront of innovation, expand industry partnerships, and secure major federal research grants. Without this investment, Ohio will not only lose talent and economic opportunities to competing states but will also forfeit its ability to shape the technologies and industries that will define the future.

#### **Priority #4: Affordability & Student Success for a Well-Educated Citizenry**

A strong public higher education system benefits all Ohioans by ensuring that students can pursue degrees without facing overwhelming financial barriers. While Ohio's public universities have worked aggressively to keep tuition increases below national averages, the rising costs of delivering high-quality education—particularly in high-demand fields such as STEM, healthcare,

and advanced manufacturing—require continued state investment to maintain affordability. Without adequate funding, universities will be forced to shift the financial burden onto students, increasing debt levels and reducing access to higher education for thousands of Ohioans.

Despite the perception that college costs are skyrocketing, Ohio’s public universities have successfully contained tuition growth in alignment with the Ohio Tuition Guarantee program. Over the past decade, tuition at Ohio’s public institutions has only outpaced inflation twice, demonstrating a commitment to affordability despite financial pressures. Additionally, the average debt for graduates of Ohio’s public universities is \$27,000—significantly lower than the national average of \$37,800.<sup>16</sup> By contrast, the average car loan in the U.S. is now \$41,000<sup>17</sup>, yet unlike a depreciating vehicle, a college degree increases lifetime earnings by an estimated \$1.2 million compared to a high school diploma. However, if state funding does not keep pace with rising costs, Ohio’s universities will be forced to make cuts that will hurt the state’s goal to increase economic growth.

Affordability extends beyond just tuition. Ohio’s public universities have taken significant steps to reduce operational costs and maximize efficiency, ensuring that students receive high-quality education at the lowest possible price. Through shared services agreements, digital transformation initiatives, and strategic staffing reductions, universities have cut administrative costs without compromising student outcomes.

**FY23 Savings by IUC Member**

Member	Total	Savings \$	Savings %
University of Akron	\$22,676,820.53	\$1,381,185.44	27.32%
Bowling Green	\$22,843,645.18	\$1,909,323.31	30.75%
Central State	\$5,934,401.74	\$340,793.20	27.77%
University of Cincinnati	\$32,224,844.92	\$10,942,285.04	29.07%
Cleveland State	\$10,441,519.06	\$1,830,308.82	30%
Kent State	\$37,218,899.59	\$4,073,709.60	29.51%
Miami	\$25,207,971.79	\$2,372,709.60	31.18%
NEOMED	\$6,328,222.91	\$395,688.28	30.42%
Ohio State	\$190,838,242.68	\$28,595,832.19	27.21%
Ohio University	\$31,157,242.20	\$9,936,701.45	30.25%
Shawnee State	\$2,811,978.54	\$469,852.17	29.30%
University of Toledo	\$68,768,487.50	\$3,576,747.01	31.03%
Wright State	\$14,763,855.51	\$1,531,137.57	28.02%
Youngstown State	\$10,309,290.54	\$2,929,069.11	29.87%
<b>TOTAL</b>	<b>\$481,525,422.69</b>	<b>\$70,284,867.97</b>	<b>29.39%</b>

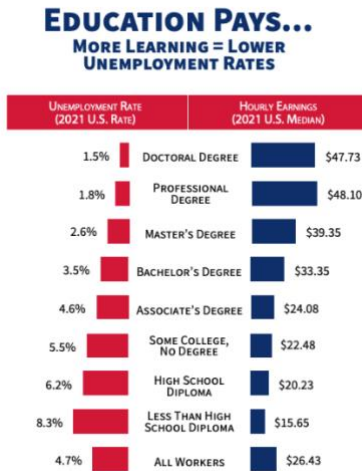
The Inter-University Council’s Purchasing Group, which includes 14 public universities, also provides access to these IUC negotiated contracts to the 22 community colleges and 50 of Ohio’s independent colleges with over 200 suppliers, achieving an average savings of 31% per contract. The IUC is also moving to increase shared services among the 14 institutions by developing a cybersecurity pilot project to address costs, workforce challenges, and to share best practices in this critical area. These cost-saving measures allow institutions

to allocate more resources toward financial aid, student support services, and academic programs—but without continued state investment, universities will not be able to sustain these efforts.

A state that invests in higher education benefits all citizens—not just those who attend college.

<sup>16</sup> <https://educationdata.org/average-student-loan-debt>

<sup>17</sup> <https://www.bankrate.com/loans/auto-loans/average-monthly-car-payment/>



Higher education is directly linked to higher employment rates, greater civic engagement, increased tax contributions, and reduced reliance on public assistance programs.<sup>18</sup>

At an individual level, studies show that college graduates are less likely to require Medicaid, unemployment benefits, or criminal justice interventions, leading to long-term taxpayer savings. They are also less likely to develop dementia and tend to live at least six to eleven years longer than those without a college degree. Additionally, well-educated citizens contribute significantly more in tax revenue over their lifetime, reinforcing Ohio's financial stability and economic growth. Investing in

higher education is not just an investment in students—it is an investment in a stronger, more prosperous Ohio.

Finally, having a well-educated citizenry is a benefit in itself. Higher education enriches individuals by expanding their critical thinking, problem-solving skills, and adaptability in an ever-changing world. It empowers them to make informed decisions, contribute meaningfully to their communities, and seize greater economic and personal opportunities, ultimately leading to a more fulfilling and impactful life.

A 2% year-over-year increase in SSI funding, as proposed and passed in the House budget, would ensure that Ohio's universities can continue providing financial aid, expanding affordability initiatives, and maintaining cost-saving measures. Without this investment, Ohio risks pricing students out of higher education, increasing student debt, and limiting workforce development opportunities.

Ohio cannot afford to weaken its commitment to affordability. By ensuring that higher education remains within reach for all Ohioans, the state is investing in a stronger workforce, a more competitive economy, and a more stable future.

## Conclusion

Ohio stands at a crossroads. The decisions made in this budget cycle will determine whether Ohio continues to lead in economic growth, workforce development, and technological innovation or whether the state falls behind in the national and global competition for talent, jobs, and research excellence. Higher education is not a secondary priority—it is the foundation of Ohio's economic strength, workforce development, national security, and future prosperity.

<sup>18</sup> <https://www.newyorkfed.org/research/college-labor-market#--:overview>

The IUC urges this committee and the General Assembly to recognize that higher education is not an expense—it is an investment. Ohio’s 14 public universities educate hundreds of thousands of students each year, fuel groundbreaking research, support thousands of businesses, and train the workforce of the future. Yet, despite these contributions, Ohio remains one of the lowest funded states in per capita higher education investment.<sup>19</sup>

An ask of a 2% year-over-year increase in State Share of Instruction (SSI) funding, as proposed and passed in the House budget, coupled with keeping tuition increases tied to inflation is not excessive; it is essential. This investment will unlock needed funding for state institutions of higher education that will enable:

- Ohio to remain economically competitive by investing in high-demand workforce programs, research initiatives, and industry partnerships.
- Businesses to hire from a well-trained, highly skilled workforce by reducing talent shortages and sustaining economic growth.
- Ohio’s research institutions to continue to drive innovation, secure federal grants, attract corporate investment, and develop breakthrough technologies in areas such as AI, cybersecurity, and healthcare.
- Higher education to remain affordable for all Ohioans by preventing rising student debt and ensuring that higher education remains a pathway to prosperity.
- All Ohioans to be proud of, and benefit from, the investments made in our public universities.

We do not have the luxury of standing still while other states and nations race forward. If we are willing to spend hundreds of millions in tax incentives to attract businesses, then we must also invest in the workforce, research, and innovation pipeline that will sustain them.

Ohio’s 14 public universities are ready to partner with the state to drive workforce development, scientific advancement, and economic growth—but they need strong legislative support that includes increased SSI investment as well as restrained tuition increases that are tied to inflation. The choice is clear: invest in our universities now, or watch as talent, jobs, and industries go elsewhere.

The IUC urges this committee to prioritize higher education in this budget—not as an afterthought, but as a strategic decision that will define Ohio’s future. Thank you for your review and consideration of this testimony. I welcome any questions you may have.

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<sup>19</sup> <https://shef.sheeo.org/grapevine/>