**Interested Party Testimony for HB 166**

**Eastern Gateway Community College**

**Dr. Jimmie Bruce, President**

**Wednesday, June 12, 2019**

Chairman Dolan, Vice Chair Burke, Ranking Member Sykes and Members of the Ohio Senate Finance Committee, thank you for the opportunity to testify today on House Bill 166. I am Dr. Jimmie Bruce, President of Eastern Gateway Community College (EGCC), serving Jefferson, Mahoning, Trumbull and Columbiana counties.

The Executive budget proposed changing the State Share of Instruction (SSI) formula by changing the definition of college enrollments to exclude students who are earning their degrees at our college, but who happen to reside out-of-state and who are paying tuition and fees to our college.  As you know, **SSI does not go to students, but goes to Ohio colleges to support hiring faculty and to create programming. Our SSI allocation stays with our college, in our community.**

The House rejected the proposed change in favor of preserving current law. Eastern Gateway supports current law, but if a change must be made to the SSI formula, we respectfully request a “phase in”, in order to allow us to adapt to the financial implications and ensure that any impact on students in minimal. That “phase in” is reflected in the bipartisan amendment offered by Senators Hoagland, O’Brien, Williams and Craig.

**Increasing college attainment in Ohio**

I want to begin by focusing on the big picture. Community Colleges exist for one purpose. That purpose is to educate our citizens. These citizens are often poor, older and working two minimum wage jobs. Ohioans, like you and I, with family obligations who want to improve their skills but who are challenged by time or finances. Those are the people I serve. In earlier times, community colleges were confined to a local geographical area, county or region—today community colleges serve their region, their state and their nation and many serve the global community – online education has shattered traditional boundaries.

Through an online last dollar scholarship program, EGCC has become, in the last 3 years, the fastest growing college in Ohio and the country servicing those students. **We have more than doubled our Ohio enrollments from 2000 to 5500 at a time when 90 percent of colleges have seen declining enrollments.**

In fact, the chart I have included with this testimony shows that, but for EGCC’s enrollments between 2015-2018, the state had a decline in the number of headcounts in our community colleges of 5 percent. **The only reason we as a state are showing growth of 3 percent is because of the innovation at EGCC**. As you know, this metric is often looked at by employers when they decide where to make investments.

**National recognition for Ohio**

We grew out-of-state enrollment online to nearly 14,000 students last spring. In the last three fiscal years, those out-of-state students have paid over $23,000,000 in tuition and fees to EGCC. In 2019-2020, the out-of-state tuition and fees will bring in over $27,000,000, **so in four years we will have brought in 50 million dollars in out-of-state tuition and fees.**

Under current Ohio law, a small portion of SSI is available to reward colleges that expand their base and attract non-Ohio students to their school. For EGCC, the amount involved is about ten percent of our subsidy, or approx. 1 million dollars.

**EGCC and SSI**

Let’s talk about what happens to that million dollars. Some proponents of changing the law think it goes to out-of-state to students. **That is an absolute falsehood.**  **It is an instructional subsidy and we have used every dollar to hire Ohio faculty and support staff to educate EGCC** **students.** I can tell you that a professor, who is an Ohio taxpayer, who is teaching an online course with students from Ohio, Pennsylvania, Indiana, Michigan, and West Virginia in his class doesn’t care where those students live. He or she just wants to teach, to help people obtain their educational goals, and-- yes--- they want a paycheck. And for over 800 Ohio faculty and 200 professional and support staff, we have been able to provide them with that paycheck in a time when other colleges and universities have regrettably had to lay faculty off because of enrollment declines.

**I am very proud that our college has created 1,000 faculty, support staff and adjunct faculty positions related to this initiative**. I am also pleased that we will be adding another 15 full-time faculty positions in FY20. But beyond the jobs there are three major public policy issues at stake here that need to be weighed carefully before changing current law.

1. **Ohio must remain competitive when it comes to higher education:**  As experienced Ohio leaders, you know that the world is constantly evolving. Competition in almost any business is relentless, and competitors don’t respect state borders. That is becoming increasingly true in public education. States like Arizona, Indiana, Massachusetts and Maryland have all in the last year announced new plans to invest hundreds of millions of dollars in national online education aimed at adult populations. Ohio stands to lose thousands of students to these innovative entities who, as they grow, will have more and more resources to provide cutting edge programming with which our state simply won’t be able to compete. Just as our state already invests in Universities that are enrolling out-of-state students, Community Colleges need to be on the same playing field.

Changing a law that slows down our ability to withstand this competition does not represent good long-term public policy.

1. **Reward Innovation and creativity**: We like to use words like innovation and change a lot when we discuss the future of education. But as this discussion lays bare, innovation and change come at a price. It is not a zero-sum game. A dollar of subsidy with us has a huge multiplier effect. We will only solve this State’s need for highly trained workers with bold initiatives done at a scale and that result in more adults finding a path to a post-secondary certificate or degree. Such initiatives should be rewarded not penalized.
2. **Invest in economically distressed communities**: My final point speaks to a long tradition in Ohio about caring about our disadvantaged communities. I serve some of the most economically challenged places in our state: Youngstown, Steubenville, East Liverpool, Warren and Lordstown. EGCC is making a real difference in the economic lives of the citizens, both educationally and economically. We are not playing at the edges of the problem, but truly moving the dial.

**Our growth has happened with the help of state subsidy. And it has led to one of this country’s biggest companies to reach out to discuss how we might together work to train people from our state for the jobs of tomorrow.** It was our innovation that caused that phone call to happen.

Thank you, Chairman Dolan and members of the Senate Finance Committee for your time on this important matter. I would be happy to take any questions you or members of the committee may have.