The Ohio House of Representatives Higher Education and Career Readiness Committee

> Proponent Testimony for House Bill 514

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Thank you, Chair Laura Lanese. As president of Bowling Green State University, it is an honor to provide proponent testimony on behalf of House Bill 514. As you know, Ohio is home to fourteen, exceptional public higher education institutions, and this ecosystem certainly helps move our state forward. I would like to acknowledge and thank Representative Cross for his leadership and advocacy of HB 514. This legislation will attract talented students to come to Ohio and it empowers our graduates to remain here, which will help retain talent, meet workforce needs and improve our communities.

HB 514 helps connect higher education and job creation, and it illustrates the critical policy and fiscal changes to Ohio law. This legislation will require the chancellor of the Department of Higher Education to award supplemental grants to students who are eligible for an Ohio College Opportunity Grant, and it creates a program in the Choose Ohio First Scholarship for out-of-state students and also provides a forgivable loan component for staying in Ohio after graduation. In addition, HB 514, makes changes to Ohio residency rules to support out-of-state students, authorizes a graduate from an Ohio institution of higher education to claim an income tax deduction for up to three years on certain post-graduation income, and it also authorizes a refundable income or commercial activity tax credit equal to 30% of the compensation paid by an employer to a student intern.

We recognize that Ohio faces population growth and workforce challenges. HB 514 helps provide solutions, not just to Bowling Green State University and northwest Ohio, but the entire state. Ohio is facing the loss of another member of Congress due to our population challenges, and in addition, Ohio is projected to have an 11% decline in the number of high school graduates from 2019 to 2037. JobsOhio estimates Ohio loses \$255-\$367 million annually in tax revenue from students leaving Ohio after graduation from public colleges and universities.

BGSU, along with our sister institutions, certainly remains steadfast in our commitment to help address the state's population challenge. BGSU was founded to serve Ohio, and not only do we continue to educate and support more Ohioans, but we work to also attract out-of-state prospective students and increase enrollments in strategic markets, which often includes financial support possible from private philanthropic sources. In addition, through our relevant, innovative and nationally ranked academic programs, we are educating the next generation of students who will meet workforce demands in areas such as advanced manufacturing and robotics, software engineering, healthcare, business and aviation.

Prospective students from Ohio who attend a university in our state are likely to stay in Ohio for their careers through co-ops, internships and first job opportunities. BGSU and our peer institutions are here to serve those students. They know firsthand the impact of Ohio, and we want to ensure they remain here.

Students across the nation, who are attracted to a university in Ohio, are likely to be recruited for professional and career opportunities such as a co-ops or internships in Ohio, and this often leads them to remain in the state after graduation to live, work and make a difference in their communities. Through

their experience at our colleges and universities, these students are exposed to the many positive attributes of Ohio. However, Ohio likely only keeps two thirds of these college graduates in the state. Ohio's universities need state support to grow enrollment and expand the state's workforce capacity.

HB 514 recognizes that the answer to Ohio's population challenge lies in our higher education institutions. It creates incentives for Ohio to grow the population that attends a higher education institution, whether that is a community college, public or private four-year university. HB 514 recognizes that a large majority of college and university students that attend community college or a university in Ohio, stay in Ohio. The more students that attend an Ohio college or university the larger our workforce capacity, and the more likely Ohio can stem the depopulation of many regions of the state. Based upon this connection between higher education and job creation, HB 514 is also supported by the Ohio Chamber of Commerce, Ohio Small Business Association, Ohio Business Roundtable, Ohio Inter-University Council and Association of Independent Colleges and Universities of Ohio.

As a president of Bowling Green State University, and as a native Ohioan, I again thank Representative Cross for his leadership of HB 514 – I am proud to support this legislation, which creates public good.