

**BEFORE THE SENATE FINANCE COMMITTEE**

**SENATOR MATT DOLAN  
CHAIR**

**TESTIMONY  
OF  
BRUCE JOHNSON  
PRESIDENT  
INTER-UNIVERSITY COUNCIL OF OHIO**

**MAY 11, 2021**

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**The Public Universities of Ohio**

The University of Akron  
University of Cincinnati  
Miami University  
Ohio University  
Wright State University

Bowling Green State University  
Cleveland State University  
Northeast Ohio Medical University  
Shawnee State University  
Youngstown State University

Central State University  
Kent State University  
The Ohio State University  
The University of Toledo

Chairman Dolan, Vice Chair Gavarone, Ranking Minority Member Sykes, and members of the Senate Finance Committee, thank you for allowing me to provide written proponent testimony today in support of House Bill 110 on behalf of the state's fourteen public universities, all of which are members of the Inter-University Council of Ohio (IUC). My name is Bruce Johnson, and I am the President of the IUC.

The IUC was established in 1939 as a voluntary educational association of Ohio's public universities. It is committed to ensuring affordable opportunities for the more than 300,000 students attending our member institutions without sacrificing the quality of their education or experience.

Ohio's fourteen public universities appreciate the continued support for and investment in higher education as proposed by Governor DeWine in the as-introduced version of the FY22-FY23 biennial operating budget and also as passed by the House. We look forward to working with the members of this committee, specifically, and the members of the Senate, more broadly, as you work to address your own priorities.

From our perspective, House Bill 110 as passed by the House represents a solid foundation in funding both in terms of state subsidy for higher education and for student need-based financial aid. These items are the IUC's top priorities for this operating budget and both directly affect access, success, and affordability.

#### **Ohio College Opportunity Grant (OCOG) – Need-Based Financial Aid**

The IUC appreciates the funding appropriated by the Administration and passed by the House for OCOG. It will go a long way towards helping students with financial need earn a degree. However, we believe that more should be done to restore OCOG funding to its previous levels – which in FY08 and FY09 totaled more than \$220 million in ***EACH*** year of the biennium for a total of \$440 million.

As enacted in the current operating budget for FY20 and FY21, before COVID cuts, the total OCOG appropriation over the biennium was \$270.4 million. Total funding proposed in HB110 for the FY22 and FY23 biennium is \$211,256,352.

OCOG helps financially challenged students to cover those academic costs that the federal Pell Grant does not. Ohio College Opportunity Grant award amounts for students at public and private universities, private for-profit institutions of higher education, and community colleges are determined by the ODHE. For full time students on main campus at public universities the OCOG award amount for 2020-2021 is \$2,000. To stretch limited OCOG resources as far as possible, the state adopted a policy requiring students to apply the Pell Grant first.

Students at community colleges and regional campuses remain eligible for OCOG assistance under the Pell First policy and may receive OCOG funding if, after applying 100 percent of the Pell Grant, academic expenses remain. The state subsequently adopted an exception to allow some OCOG money for community college and regional campus students who exhaust their Pell Grant money by attending school year-round. The state continues to recognize and endorse the efficacy of the policy, which it has maintained in biennial operating budgets since its adoption, because it is good public policy and the most responsible use of taxpayer dollars.

#### **IUC Requests:**

- Restore OCOG funding across the biennium to previous budget amounts approved by the Legislature in Am. Sub. H.B. 166 (133rd GA). To help the state's neediest students stay in school and earn a degree would require additional funding of \$59,204,148.
- As an alternative to the first request, the IUC would submit for your support a request to increase OCOG funding by \$44 million over the biennium, specifically \$17 million in FY22 and \$27 million in FY23. This funding increase, while not restoring OCOG funding to the former HB166 level, would allow ODHE to increase OCOG awards for eligible students by \$500 in each year following passage of HB110.
- Maintain the state's longstanding Pell First policy to prioritize limited resources on the academic costs of earning a degree.

### **State Share of Instruction**

Total funding appropriated in the bill as passed by the House for this subsidy is \$2,056,678,116 in FY22 and \$2,075,761,402 in FY23. Those numbers represent an increase of 1.0 percent in FY22 over the FY21 appropriation, and 0.9 percent in FY23. The IUC believes that the state should adopt a long-term policy that funds the SSI at the national average on a per student basis.

The distribution of this funding to each institution is outcome-based. For public universities, the funding is distributed based on course completion, which comprises approximately 30% of the distribution; degree completion, which allocates 50% of the distribution; and then certain set-asides, if applicable, for medical and doctoral programs, which comprise the remainder.

To get us closer to the national average (\$8,200) in funding per full-time equivalent student (Ohio is currently \$6,262 per FTE) and help ensure the state's public institutions of higher education can continue to offer a quality product with a meaningful return, we would respectfully request the Ohio Senate to further increase the SSI line item in support of our students.

#### **IUC Requests:**

- Increase the SSI line item in support of our students to reflect the current rate of CPI growth, 1.8%, as determined by the Ohio Department of Higher Education (ODHE).
- A 1.8% increase to the OBM SSI estimate for FY21 as identified in the Red Book, would mean an increase of \$17.1 over the proposed FY22 appropriation.
- An additional 1.8% in the second year would mean an increase of \$35.3 million over the proposed FY23 appropriation.
- Taken together, this requested funding increase would add approximately \$52.4 million to the SSI appropriation over the FY22-23 biennium.

In conclusion, Mr. Chairman, and members of the Committee, we believe higher education will play a critical role with respect to the economic resurgence that lies ahead. Our public universities are the economic engines of towns and communities across the state; they are the producers of talent to fuel essential workforce pipelines; and beacons of opportunity drawing individuals to our great state from across the nation and the world in search of the opportunity that accompanies a postsecondary credential. As our campuses seek to re-engage in more normal operations, the health and safety of students, faculty, staff, and campus visitors will always be a priority. But it should never overshadow our highest priority – and that is our students who are the foundation of Ohio's future.

Any obstacle to increasing the number of Ohioans with the knowledge and skills needed to succeed in college or the workplace is a threat to our economic competitiveness and to their opportunity to pursue their dreams. That is why we need to ensure that college is accessible and affordable for those students who chose to attend. I am happy to answer any questions you may have.