

Patrick J. Tiberi, Board Chair  
Ohio Business Roundtable

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Beverly Beery  
Beery Insurance Services, LLC

Gary Z. Lindgren  
Cincinnati Business Committee

Mary Beth Martin  
The Farmer Family Foundation

Kenny McDonald  
Columbus Partnership

Roland Medrano  
La Mega Media

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JPMorgan Chase

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Lovett & Ruth Peters Foundation

Baiju R. Shah  
Greater Cleveland Partnership

Margie Wright-McGowan  
Federal Reserve Bank of Cleveland

Lisa A. Gray  
President, Ohio Excels

## House Finance Subcommittee on Higher Education

### Testimony on House Bill 33

**Kevin Duff, Vice President, Policy & Research**  
**Ohio Excels**  
*March 28, 2023*

Chair Manning, Ranking Member Jarrells, and members of the House Finance Subcommittee on Higher Education, my name is Kevin Duff, and I am the Vice President of Policy and Research at Ohio Excels. I appreciate this opportunity to address your committee on behalf of Ohio Excels and seven other business organizations in support of the education and workforce provisions of House Bill 33:

- Ohio Business Roundtable
- Ohio Manufacturers' Association (OMA)
- Ohio Council of Retail Merchants
- Columbus Partnership
- Greater Cleveland Partnership (GCP)
- Cincinnati Business Committee (CBC)
- Cincinnati Regional Business Committee (CRBC)

You can find descriptions for each of our organizations at the end of my testimony.

Ohio Excels and our business partners believe the Governor's proposal is an exceptionally strong start to the state budget process. It includes policies that address the most pressing issues and target the most impactful strategies for making higher education more affordable and accessible. Ohio Excels leads the Complete to Compete Ohio Coalition, which includes more than 50 organizations working together to ensure more Ohioans earn a high-value credential or postsecondary degree. Currently, [just 51.2%](#) of Ohioans have completed any type of postsecondary education, well below the 65% that economists say is critical to keeping us competitive in the future. We believe the current budget takes strong steps to help students get the skills they need while helping our employers find the talent they demand. I'd like to touch on a few of the most notable proposals for you today.

## Financial Support for Students

Ohio has been falling behind neighboring states in need-based aid. Thankfully, the budget proposes smart investments to make Ohio more competitive. This aid goes to the student – not institutions – to give students choices and to make the cost of attending higher education within reach of more Ohioans. Broadly speaking, we support these proposals, and I'd like to highlight a few of them for you now.

The **Ohio College Opportunity Grant (OCOG)** sees an increase of \$337 million over the biennium that would make higher education more affordable for students attending public and private universities. The changes in the budget nearly double the award amounts and increase the eligibility threshold to include students from families with an income of up to \$87,000.

The new **Ohio College Access Grant (OCAG)** is designed to give up to \$1,000 to students attending our community colleges and regional campuses—the institutions on the front lines of workforce development and job training. This will help students pay for the full cost of attending college.

The **Access Challenge** is a new program funded with \$40 million each year that will support the non-academic needs of higher education students, including advising, counseling, success coaching, bridge programs, and other valuable wraparound services. Our belief is that this fund will help more students complete their program or degree.

The **Governor's Merit Scholarship** proposed in this budget will help make sure our best and brightest young students stay in Ohio for higher education – which makes them more likely to also stay for their careers. Students graduating in the top 5% of their high school class would be eligible for \$5,000 a year if they attend an Ohio college or university.

## FAFSA Graduation Requirement

Before students can access the financial aid I just described, they must complete the FAFSA. This form is the gateway to need-based aid and scholarships that allow more students to pursue all types of higher education – technical training, two-year colleges, and four-year universities. Right now, students must opt in to completing the FAFSA. Unfortunately, this means that Ohio students leave [\\$108 million in federal assistance](#) on the table just because they did not complete the FAFSA.

The budget addresses this by establishing FAFSA completion as a graduation requirement, a move that transitions the FAFSA from being an opt in to an opt out decision. It is important to note that the requirement comes with an opt-out provision that any parent or administrator can use, so no student will actually be denied a diploma. Yet in order to make this initiative successful, our school counselors and community organizations need additional support. **We recommend the budget be amended to include a grant program that – in coordination with the state-level efforts of ApplyOhio – provides funding to local and regional organizations to support school counselors, engage families, host events, and work to ensure more students complete the FAFSA.**

## Industry Credentials

There is a growing recognition that not all in-demand jobs require a four-year degree and that industry credentials play an instrumental role in starting or advancing a rewarding career. Ohio Excels and our partners support the continuation and expansion of several programs that make industry credentials more accessible, including:

- **TechCred:** Continues the employer-driven, short-term, and technology-focused credential program with \$25.2 million each year.
- **Individual Micro-credential Assistance Program (IMAP):** Increases the funding to reimburse training providers for the short-term credentialing from \$3.5 million to \$7 million each year.
- **Innovative Workforce Incentive Program:** Continues a program that rewards K-12 districts and schools with a payment of \$1,250 for each student that earns a qualifying, in-demand industry credential.
- **K-12 Credential Reimbursement:** Continues a program that reimburses the cost of K-12 students earning a credential, such as a testing fee.

## Building Capacity for Critical Workforce Needs

Ohio has been experiencing a workforce gap for many years, and with the recent economic development wins throughout the state, our education and training institutions are struggling to support Ohio's workforce needs. The budget wisely makes significant investments to expand the capacity of education and training institutions in critically needed skills and occupations, including:

- **WorkFORCE Ohio:** Creates a \$30 million a year program to provide challenge grants to colleges and universities to build or expand programs that address critical education and training needs required by employers.
- **Computer Science Promise Program:** Requires that all Ohio students in grades 7-12 have access to at least one computer science course a year and includes funding to reimburse districts that offer an online course.
- **Teach CS:** Creates a new grant program to fund coursework, materials, and exams to help more existing teachers and industry professionals earn the credentialing they need to teach computer science.
- **In-Demand Career-Tech Programs:** Allocates \$50 million each year to launch new in-demand career-tech programs and industry credential programs in career technical centers and traditional high schools.
- **Career-Technical Construction Grant:** Provides \$200 million in FY 2024 to support facility costs to help address wait lists for career-technical education programs and create new programs for critically needed occupations.
- **Super RAPIDS:** Allocates \$200 million in FY 2024 for grants to higher education institutions to support new construction and equipment purchases for programs aligned to local workforce needs.

Thank you for your time today, and I would be happy to answer any questions you might have.

## Description of Organizations Endorsing this Testimony:

**Ohio Excels** is a non-partisan, non-profit organization created by leaders of Ohio's business community to engage the business community more consistently and deeply in efforts to help improve educational outcomes for all Ohio students. Our focus includes early childhood, K-12, and postsecondary education. And in support of that mission, we are committed to working with the broader business community, policymakers, educators, and other community leaders to support our students, educators, and schools.

**The Ohio Business Roundtable** is a nonpartisan, nonprofit organization comprised of over 100 presidents and CEOs of Ohio's top companies, 75 of which are headquartered in the state and more than one third of which are Fortune 1000 companies. Collectively, the members employ nearly 500,000 Ohioans and generate a revenue exceeding \$1.48 trillion.

**The Ohio Manufacturers' Association (OMA)** is Ohio's largest statewide business association comprised solely of manufacturers. Established in 1910, the OMA's mission is to protect and grow Ohio manufacturing. It represents manufacturers of all sizes in every subsector of the industry. Manufacturing is Ohio's largest economic sector, employing approximately 690,000 Ohioans and contributing more than \$130 billion annually to the economy.

**The Ohio Council of Retail Merchants** has been serving the interests of Ohio's retail and wholesale industries since 1922. Its 7,700-plus members rely on the expertise and passion of the Council leadership to promote and support initiatives that pave a positive path for the state's retail community. The Council is proud of its heritage and that of the eight affiliate associations. The Council concentrates on four main areas as it relates to building and maintaining a robust retail environment – public policy, political activity, member benefits, and research.

**Columbus Partnership** is a non-profit, membership-based leadership organization of 80 chairpersons, chief executive officers and senior executives from the Region's leading businesses and institutions. Our members include Fortune 500 CEOs, as well as the leaders of top universities and the world's largest private, nonprofit research and development organization. The Partnership's economic development organization, One Columbus, serves as the business location resource for companies across Central Ohio and around the world as they grow, innovate, and compete within the global economy. Our experienced team has worked with hundreds of companies and helped to secure over \$10 billion of capital investment, 50,000 direct jobs and more than \$2 billion of new payroll across the Columbus Region.

**Greater Cleveland Partnership (GCP)** is the region's leading economic development organization and with over 12,000 members, the largest metropolitan chamber of commerce in the nation. Guided by a board of corporate and entrepreneurial CEOs, the organization focuses on strategic initiatives, business services, and advocacy to build a vibrant business environment and region for small businesses, middle-market companies, and global corporations. It includes the Council of Smaller Enterprises (COSE) and Cleveland Development Advisors, a real estate development affiliate. GCP is committed to working with private, civic, and public partners to accelerate growth and prosperity to propel Greater Cleveland towards being one of the Great Regions in the Great Lakes.

**Cincinnati Business Committee (CBC)** is an organization of chief executives from companies in the Greater Cincinnati area committed to identifying and providing leadership on selected issues. The members will consider initiatives that are especially important to the long-term economic vitality and well-being of the Greater Cincinnati community and in which the CBC's active involvement will make a major difference. Special emphasis is placed on economic development, education, and government affairs.

**Cincinnati Regional Business Committee (CRBC)** is a CEO-civic organization comprised of over 90 chief executives from primarily mid-cap companies in the Cincinnati region. Founded in 2012, it exists to ignite and accelerate transformational change in the Greater Cincinnati community, leveraging the unique assets, leadership, and

collective resources of business executives to have long-term positive impact for sustainable growth and regional prosperity.