

Testimony of Stephen Mockabee, PhD Ohio Conference of the American Association of University Professors Before the Senate Workforce and Higher Education Committee Senator Jerry Cirino, Chair October 11, 2023

Chair Cirino, Ranking Member Ingram, and Members of the Committee:

My name is Steve Mockabee, and I am a professor in the School of Public and International Affairs at the University of Cincinnati. I submit this testimony on behalf of the Ohio Conference AAUP, which represents more than 6,000 college and university faculty at both public and private institutions of higher education across the state, to provide testimony as an interested party to House Bill 27.

Our association believes that it is generally positive to provide as much information as possible to help inform students on the financial aspects of earning a college degree.

Insufficient investment from the state coupled with increased spending in non-instructional areas largely have been the driving forces behind higher costs for students, and in turn, student debt. As such, while we appreciate the intent of HB 27, there is a much larger issue of state support for higher education and a refocus on the educational missions of our institutions that must be examined. Unfunded mandates like HB 27 are eating up scarce resources, as well.

That said, we applaud the goal of transparency for students considering Ohio's colleges and universities. One recommendation to enhance the proposed legislation would be to provide detail on how the resources from student tuition and fees are allocated. Often students and their families are not aware that tuition and fees are spent on endeavors far removed from the student's education, such as subsidizing athletics. Except for Ohio State, Ohio's four-year institutions have athletic departments that lose millions of dollars each year. In addition, universities, on average, are spending only around 20 percent of their budgets employing faculty. How is the rest of the money being spent? Making explicit where their money is going would be a positive step.

Where HB 27 could be problematic is in regards to the data used to communicate future earning potential. The accuracy of the data and what that data conveys are important pieces to consider with this legislation. Examining data from those who graduated one year ago or five years ago may not give an accurate picture of career paths for some majors, particularly in the liberal arts. Data gathered by the U.S. Census Bureau shows that although the average salaries for humanities majors trail those for other majors such as accounting or

business administration in the first few years, this gap shrinks over time, eventually reaching parity after about 15-20 years.¹ For example, one study found that among degree-holders with fewer than five years' work experience, philosophy majors averaged \$5,000 less in salary than accounting majors; in contrast, among those with 10-20 years' work experience, philosophy majors earned an average of \$9,000 *more* than accounting majors.²

It is not necessarily in the best interests of students to choose majors based on projections of earning potential. It is important that students are passionate about their chosen field of study, because that will go a long way to help them complete a degree. On average, finishing a bachelor's degree leads to higher earnings and better health outcomes compared to having only a high school diploma.³ The Department of Higher Education has set a laudable goal of increasing the proportion of Ohioans aged 25-64 with a postsecondary credential to 65 percent by 2025. However, HB 27 could have the unintended consequence of scaring students away from particular majors where they could have been successful based on data that may or may not accurately reflect their future earnings. The result could be fewer degrees completed, not more.

Thank you for your consideration.

¹ <u>https://www.hamiltonproject.org/charts/career_earnings_by_college_major/</u>

https://www.wsj.com/articles/good-news-liberal-arts-majors-your-peers-probably-wont-outearn-you-for ever-1473645902

³ <u>https://www.aplu.org/our-work/4-policy-and-advocacy/publicuvalues/employment-earnings/</u>