“STATEHOUSE ROCK!”
Understanding the State Budget & How It Becomes a Law!

Tom Walsh | Vice President, OACC
"Red, Red (De)Wine"

Gov. Mike DeWine defeated Nan Whaley 63% - 37%

JD Vance defeated Tim Ryan 53% - 47%

Republicans had a clean sweep of all other Statewide Offices.

'22 ELECTION: IS OHIO STILL CONSIDERED A SWING STATE?
NEARLY "99 RED BALLOONS":
THE 135TH GENERAL ASSEMBLY

OHIO SENATE
- Republican - 26
- Democrat - 7

OHIO HOUSE
- Republican - 67
- Democrat - 32

LEGISLATIVE LEADERS

SEN. MATT HUFFMAN
Senate President

REP. JASON STEPHENS
Speaker of the House
"Against The Wind"

An Increasingly Conservative Agenda for Higher Ed

SKEPTICAL VIEW OF HIGHER EDUCATION
• Student debt and spiraling costs
• ROI for state funding
• Perceived liberal bias
• Questions around alignment with business
• Faculty tenure and academic freedom

SOCIAL ISSUES
• Teaching of Divisive Concepts, Critical Race Theory
• Prohibiting environmental, social or governance (ESGs) policies
• DEI, LGBQT issues

BUDGET PRIORITIES
• Income tax reform
• Expansion of K-12 vouchers
• Workforce
• Restrained spending
“DRIVING THE ZAMBONI”: THE ”3 Ps” OF A SUCCESSFUL ADVOCACY AGENDA

POLICY
• Identify policy levers that help drive reforms
• Bias should be toward action, not status quo
• Embrace data and outcomes

POLITICS
• Know the political realities of proposals
• How will ideas “sell” with legislators or elected officials

PUCKS
• Understand where the “puck” (i.e. public opinion) is headed and skate to it
Why Can't We Be Friends?

Finding Common Ground in Higher Education

- College Promise
- Accessibility
- Apprenticeships and Career Tech
- Financial Assistance
- Accountability of For-Profit Colleges

College Affordability/Student Debt Crisis
- Student Completion
- Economic Mobility
- Skilled Workforce
- Short-term Training Programs
- Careers!

Tuition Guarantees
- Institutional Efficiency
- Vocational Training
- Pathways Off of Public Benefits
- Job Placement Metrics
DEVELOPING OACC’S POLICY AGENDA AND PRIORITIES

During early summer, begin seeking input from our colleges and stakeholders to identify priorities

College Leaders
- Presidents
- OACC Officer Groups
- OACC Governing Board

Key State Leaders
- Governor, Lt. Governor and their Offices
- Chancellor Gardner
- Legislative Leaders

External Stakeholders
“THE LONG AND WINDING ROAD” – BUDGET TIMELINE

February 1
Governor’s Blue Book Proposal Introduced

February - Mid-April
Budget Process in the House

Mid-April - Mid-June
Budget Process in the Senate

Mid - Late June
Conference Committee

July 1
Start of New Fiscal Year
Continued Phase-in of Cupp-Patterson K-12 School Funding

- Medicaid
- Prisons
- Tax Cuts – HB 1

Higher Education & Other “Discretionary” Spending Priorities
“Take the Money and Run”

Proposed State GRF Spending

- Medicaid, 25.8%
- Primary and Secondary Education, 31.6%
- Justice and Public Protection, 11.4%
- Higher Education, 11.0%
- Health and Human Services, 8.0%
- State Revenue Distributions, 6.4%
- General Government, 4.2%
- Other Education, 1.6%
State Tax Revenues (FY 2024-25)

- Sales and Use Taxes, 46.4%
- Personal Income Taxes, 36.4%
- Commercial Activity Taxes, 7.4%
- Other Taxes, 6.4%
- Other Revenue, 2.0%
- Public Utility/Kw-Hour Taxes, 1.5%
STATE SHARE OF INSTRUCTION
• Increases SSI by 3% in both FY 24 and FY 25
• Total SSI Funding = $2.138b in FY 24 and $2.202b in FY 25

<table>
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<tr>
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<th>FY 2024</th>
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<tbody>
<tr>
<td>Universities</td>
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<tr>
<td>Community Colleges</td>
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TUITION FLEXIBILITY
Community Colleges:
• Permits an increase of up to $5 per credit hour for both the 2023-24 and 2024-25 academic years.

Universities:
• No additional tuition increases beyond what is permitted under the statutory undergraduate tuition guarantee program.
• Under current law, universities may increase tuition, fees + room & board by the average CPI for the previous 36 months.
  • 2023-24 AY = 6.7% (average of $19 per CH increase for 4-year sector)
  • 2024-25 AY = TBD
**Ohio College Opportunity Grants (OCOG)**

- $216m in FY 24 (92.2% increase) and $346m in FY 25 (60% increase)
- Increases awards amounts to:
  - $6,000 for public university students ($2,700 currently)
  - $6,000 for private college or university ($4,200 currently)
  - $1,600 for for-profit college students
- Community colleges are completely removed from the program
- Expands eligibility to $10,000 EFC or less
- Allows OCOG to be used to cover “total cost of attendance” rather than just tuition and fees

**Ohio College Access Grants (OCAG)**

- $14m in FY 24 and $26.5m in FY 25
- New need-based aid for students enrolled at a community college or university regional campus
- $1,000 annual award

**Governor’s Merit Scholarships**

- $52m over biennium for new scholarship program
- $5,000 annual scholarship for students who graduate in top 5% of their HS class
- Scholarships can be used at any public or private college or university in Ohio
MENTORING SCHOLARSHIPS
• $13m over biennium
• Awards a $2,500 annual scholarship for students who have participated in a mentoring program developed with ODHE and participating community-based organizations

SECOND CHANCE GRANT PROGRAM
• $3m each year to encourage stopped-out students to complete their degree.
• Changes the award to an annual grant and expands the timeframe for students to have been disenrolled to 10 years.

CHOOSE OHIO FIRST SCHOLARSHIPS
• $30m in FY 24 and $32m in FY 25 for students majoring in a STEMM field

FAFSA COMPLETION
• Requires a HS student to complete the FAFSA as a graduation requirement
• Permits students/parents to opt-out from this requirement
• Creates the ApplyOhio Office to lead statewide efforts to increase FAFSA completion rates
SUPER RAPIDS
• $200m in FY 2024
• Administered by Governor's Office of Workforce Transformation and Chancellor
• Build capacity, remove barriers, develop strategies and local-guided solutions with impacted industries
• Help to meet “urgent workforce development and job creation needs”
• Must include evidence of business partnerships

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WorkFORCE OHIO
• $30m each year
• Asset mapping analysis of current programs and capacity that align with workforce needs of next decade (Executive Order)
• Funds allocated to increase Ohioans to pursue certificate, credentials or degrees that lead critically high-demand jobs.

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JOB TRAINING PROGRAMS
• $25m each year for TechCred
• $7m each year for Short-Term Certificates
• $2.5m each year for Commercial Truck Driving

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ACCESS CHALLENGE
• $40m each year
• Funds will support underrepresented students, provide services to these students and address barriers to completion
• Services may include academic success, completion support, advising, counseling, success coaching, bridge programs and warp-around services
• At least 55% of funds must be allocated to community colleges
• Chancellor has stated that each college will receive a minimum of $1 million over the biennium

MENTAL HEALTH SUPPORTS
• $10m each year
• Funds will support and address behavioral health needs at state colleges and universities

TEXTBOOK AFFORDABILITY
• Provides funding to encourage adoption of Open Access Resources (OERs) and other low/no-cost teaching materials
• Focus on high enrollment courses and gen ed courses
ENSURING CC+ PARTICIPATION
• The Chancellor and Superintendent may take necessary actions to ensure school districts and public IHEs are fully participating in CC+

MODEL PATHWAYS
• The Chancellor and Superintendent must work with public schools and public IHEs to increase model pathways to prepare students to successfully enter the workforce in certain fields:
  • Engineering technology
  • Nursing
  • Teaching and other education professions
  • Social and behavioral or mental health
  • Law enforcement and corrections
HIGHER ED BUDGET PROPOSALS

TRANSCEPIT WITHHOLDING
- Requires Boards of Trustees to adopt a resolution determining whether to end the practice of transcript withholding

DIRECT ADMISSIONS PILOT PROGRAM
- The Chancellor and Superintendent must establish the Direct Admissions Pilot Program to help HS seniors determine whether they meet the admissions requirements of participating colleges and universities

PUBLIC SERVICE CURRICULUM
- Requires state and private IHEs to develop a program and curriculum for HS students interested in public service, with a focus to earn dual credit through CC+

COMPUTER SCIENCE PROMISE PROGRAM
- Creates the Ohio Computer Science Promise Program which will allow any Ohio student in grades 7-12 to enroll in one computer science course per year that is not offered by the school. No costs can be charged to the student

ADMINISTRATIVE RULES
- Exempts colleges and universities from submitting rules through JCARR process
### OACC REACTION TO BUDGET: “THUNDER ROAD”

#### TOAL SSI FUNDING

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<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Total</td>
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<tr>
<td>Degrees/Post Grad</td>
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<tr>
<td>Short-Term Credentials</td>
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#### Credentials Funded

- Universities: 77%
- Community Colleges: 23%
NEW SPENDING SKEWED TOWARD BACHELOR DEGREES

NEW SPENDING
FY 2024-25

COMMUNITY COLLEGES
28%
72%

COMMUNITY COLLEGES
UNIVERSITIES

EST. NEW SPENDING AFTER PHASE-IN
FY 2026-27

COMMUNITY COLLEGES
10%
90%

COMMUNITY COLLEGES
UNIVERSITIES
1. Establish a new Ohio Workforce Ready Grant Program

2. Separate the SSI Line Item into SSI -Universities and SSI – Community Colleges

3. Provide State Support for Short-Term Workforce Education Programs at our Community Colleges

4. Create a Statewide Innovative Waiver Pilot Program to Enable More Students to Pursue Credentials in High-Demand Jobs

5. Support the Governor’s Proposed Funding for Wrap-Around Services
Is it a right to remain ignorant?

I don't know, but I refuse to find out!