

Higher Education

Ohio Promise: equitable free college

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Post-secondary education prepares students to meet future challenges and pursue their dreams. Increasingly, Americans need some form of higher education to make a living wage. States that invest in higher education are often more productive and have higher wages. Higher education helps build communities and brighter futures. Unfortunately, the high cost of college blocks many from pursuing and completing their education. College unaffordability is most pronounced for low- and moderate-income students who often struggle financially outside of school. College has not always been prohibitively expensive. In the past, state governments invested more heavily in public colleges and federal Pell grants and state need-based aid covered a greater portion of college costs.

Ohio has a world-class network of public colleges. However, the state lags behind the nation in college attainment. Only 39.1 percent of Ohio adults aged 25-64 have an associate's degree or higher compared to 41.7 percent nationally (see appendix for data by county). Recognizing that the state must improve these numbers, Ohio policymakers have committed to a goal of 65 percent college attainment by 2025. College attainment rates are low for white Ohioans (40.2 percent) and significantly lower for African-American (26.5 percent), Latinx (26.9 percent), and Native American (31.7 percent) Ohioans. Only Asian-American Ohioans meet the state's attainment rate goal (67.4 percent). Ohio is ranked 45th least affordable for college. Ohioans owe \$57 billion in student debt. The state has one of the highest rates of student debt per capita in the nation.

Ohio can do better. The state can make college affordable, significantly increase attainment, and reduce the student debt burden, by enacting a well-targeted, holistic need-based aid program. Policymakers should commit to affordable college by pledging to implement policies to cover the cost of attendance for all moderate income students at community colleges and public universities. Ohio needs a free-college promise for moderate-income students. The good news is that we can afford it by closing unproductive tax loopholes and rolling back tax cuts for the wealthy.

Nationally, college is becoming more unaffordable for people who are not wealthy. In response to the crisis, 19 states have created free-college college promises. Generally, college promise programs are government commitments to provide at least free or debt-free tuition to a significant subset of students who are not chosen based primarily on merit considerations like high school GPA or ACT/SAT score. These programs often direct resources to upper-income students instead of to low-income students who need the most help. Most promise programs are structured to serve a small number of students to contain costs. Often, promise scholarships are restricted to recent high school graduates with higher GPAs who attend school full time. This leaves out student without high GPAs and older adult students an important and growing group.

Despite the state's attainment goal, Ohio does not have a college promise program. The Ohio College Opportunity Grant (OCOG) is the state's sole need-based aid grant. OCOG is too underfunded to make college affordable for moderate-income students and leaves many students completely out. Ohio is at a turning point. The state needs to reform OCOG to better serve the Ohio's long-term education and workforce development goals and the state must confront the ongoing affordability crisis. Ohio can do both by targeting intensive need-based aid to make college affordable for low-income students, who are disproportionately women, people of color, parents, and working adults. Robust need-based aid is critical part of a strong college access and completion policy.

Having a stable and safe place to live, enough food to be healthy, and access to reliable transportation are critical parts college success. Financial aid must cover a substantial portion of living expenses to make college affordable for moderate-income students. Housing and food insecurity are rampant on college campuses. Research shows between 36 and 42 percent of all college students experience food insecurity, which means they missed meals or had to change their eating patterns because of lack of money for food.

The Ohio Promise would transform Ohio from an under-educated state into one where more of our people have the education they need to thrive in our economy. It would help employers find the trained workers that they need. The cost, an estimated \$1.65 billion per year, is less than what Ohio gives away each year in tax cuts to the wealthiest and corporations, compared to our previous tax system.

Recommendations

High costs are one of the biggest barriers to college completion for students. Often tuition is not the biggest college expense. Non-tuition expenses like living expenses, transportation, and books are a substantial portion of college cost. Research shows need-based aid improves student outcomes.

To help more students access and complete college, Ohio needs an equitable free-college Promise grounded in fairness. Policy Matters proposes The Ohio Promise that does the following:

- Provides first-dollar grant for tuition and fees, meaning Promise Grant will pay for tuition and fees and the Pell Grant and OCOG can be used for books and living expenses
- Provide students attending community colleges and regional campuses with the same amount of OCOG as students at public universities.
- Provide aid to recent high school graduates, returning students and older adults
- Provide aid to moderate-income students at community colleges and public universities
- Make full- and part-time students eligible
- Eliminate GPA and ACT/SAT requirements – let admissions offices set standards
- Guarantee that this is a grant, never a loan

Those criteria will help ensure Ohio's promise program helps students who need it most. Attainment rates must improve for low-income students, adult students, and student of color to reach the 65 percent goal. Equity means those who need the most receive the most. All students regardless of their backgrounds should be able to afford higher education, from high-quality certificates to bachelor's degrees and beyond.