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Cuts to higher education shortchange Ohioans of color

Ohio's piddling public investment in higher education over the last decade has made going to college more expensive, leaving many students with little choice but to take on more debt or give up on their dreams. The problem is especially serious for Black, Latinx, and low-income students.

Ohio is one of 45 states that spent less per student in the 2018 school year than in 2008—even as the economy and state budgets have returned to pre-recession levels, according to <u>Unkept Promises: State Cuts to Higher Education Threaten Access and Equity</u>, a new report from the Center on Budget and Policy Priorities (CBPP). Ohio cut funding by 18 percent, or \$1,304 per student—compared to 16 percent, or \$1,502 per student, nationally.

Cuts to higher education have helped drive up the cost of attending public colleges and universities. Between 2008 and 2018, the average tuition at public four-year institutions in Ohio grew by 4.9 percent, or \$500. Since 2008, Ohio policymakers also cut funding for the Ohio College Opportunity Grant (OCOG), the state's only need-based aid grant. In 2019, funding for OCOG will be \$122 million less than in 2008, not adjusted for inflation. Low-income students and students of color are more likely to attend community colleges, but students at those institutions are not eligible to receive OCOG.

"Discrimination and other barriers to employment mean people of color earn lower wages than white Ohioans," Policy Matters Ohio researcher Victoria Jackson said. "Lower wages mean families of color pay higher shares of their household income towards tuition and fees."

Ohio is ranked the fifth most expensive state for Black families and eighth most expensive for Latinx families. The typical Black and Latinx families spend 32 percent and 25 percent, respectively, of their household income on tuition and fees, according

to the CBPP report. Typical white Ohio families, on the other hand, spend 17 percent of their household income on tuition and fees.

"The rising cost of college risks blocking one of America's most important paths to economic mobility. And while these costs hinder progress for everyone, Black, Latinx, and low-income students continue to face the most significant barriers to opportunity," said Michael Mitchell, senior policy analyst at CBPP and lead author of the report.

Federal and state financial aid has failed to bridge the gap created by rising tuition and relatively stagnant incomes. As a result, the share of students graduating with debt has risen. Between the 2008 and 2015 school years, the share of students graduating with debt from a public four-year institution rose from 55 percent to 59 percent nationally. The average amount of debt also increased during this period. On average, bachelor's degree recipients at four-year public schools saw their debt grow by 26 percent (from \$21,226 to \$27,000). By contrast, the average amount of debt rose by only about 1 percent in the six years prior to the recession.

Americans' slow income growth has worsened the situation. While the average tuition bill increased by 36 percent between 2008 and 2018, median incomes grew by just over 2 percent. Nationally, the average tuition at a four-year public college accounted for 16.5 percent of median household income in 2017, up from 14 percent in 2008.

The high cost burden for people of color contributes to lower postsecondary attainment for Latinx and Black Ohioans. Twenty-six-point-five percent of Black Ohioans aged 25-64 and 26.9 percent of Latinx Ohioans have attained an associate's degree or higher, compared to 40.2 percent of white Ohioans.

"Ohio policymakers are underfunding higher education while allowing billions in tax cuts for the wealthy and corporations," Jackson said. "We need to raise revenue by ensuring those who can afford to pay more are paying their fair share. Policymakers must commit to making college affordable by robustly investing and public colleges and need-based aid."

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Policy Matters Ohio is a nonprofit, nonpartisan state policy research institute with offices in Cleveland and Columbus.

Unkept Promises: State Cuts to Higher Education Threaten Access and Equity is on the Center on Budget and Policy Priorities website: <a href="https://www.cbpp.org/research/state-budget-and-tax/unkept-promises-state-cuts-to-higher-education-threaten-access-and-tax-unkept-promises-state-cuts-to-higher-education-threaten-access-and-tax-unkept-promises-state-cuts-to-higher-education-threaten-access-and-tax-unkept-promises-state-cuts-to-higher-education-threaten-access-and-tax-unkept-promises-state-cuts-to-higher-education-threaten-access-and-tax-unkept-promises-state-cuts-to-higher-education-threaten-access-and-tax-unkept-promises-state-cuts-to-higher-education-threaten-access-and-tax-unkept-promises-state-cuts-to-higher-education-threaten-access-and-tax-unkept-promises-state-cuts-to-higher-education-threaten-access-and-tax-unkept-promises-state-cuts-to-higher-education-threaten-access-and-tax-unkept-promises-state-cuts-to-higher-education-threaten-access-and-tax-unkept-promises-state-cuts-to-higher-education-threaten-access-and-tax-unkept-promises-state-cuts-to-higher-education-threaten-access-and-tax-unkept-promises-state-cuts-to-higher-education-threaten-access-and-tax-unkept-promises-access-and-tax-unkept-promises-access-and-tax-unkept-promises-access-and-tax-unkept-promises-access-and-tax-unkept-promises-acces