

General Comments about weeks five, six and first day of week seven:

Priorities for **Higher Education** in the 2018 legislative session have been improving access to higher education and making higher education more affordable. The Washington Student Association, Council of Presidents and Council of Faculty have strongly supported efforts by the Higher Education committee in the House and the Higher Education and Workforce Development committee in the Senate to enhance access and affordability. Some of those bills that have passed through committees in both the House and Senate as of day 50 in the 2018 Legislative Session are likely to make it to House and Senate Floors for final passage and then move on to the Governor's desk for signature in the next 10 days.

State Need Grant

The House passed their version of the 2018 supplemental operating budget on February 26, and it adds \$25 million in funding for the **State Need Grant**. This amount would provide grants in the 2019 academic year to about 6200 additional students who are eligible for funding. In contrast, late last week the Senate passed their version of the 2018 supplemental which adds a much more modest \$9 million to the State Need Grant, thus providing funding for an additional 2,250 eligible students. The budget reconciliation process between the House and Senate now begins, with the final supplemental operating budget scheduled for passage on the 8th of March.

In the 2018 academic year about 22,000 students who were eligible for State Need Grant did not receive funding because the allocation was not made. The House bill allocates to the State Need Grant funding to support all eligible students by the end of the 2019-2021 biennium. In contrast, a nascent approach in the Senate is a bill proposed by Senator Ranker to make the State Need Grant an actual entitlement, such that in a phased approach, by the 2023-2025 biennium, full SNG funding will be available to students whose families have no more than 70% of the median household income in WA.

The Senate and House—both controlled by the Democrats—propose to use Rainy Day Funds and other mechanisms to fulfill the requirements of the McCleary Decision for full funding of K-12 education, thus providing room for substantially increasing the funding for the State Need Grant. The higher-than-expected recent revenues and anticipated revenue increases in the coming years amount to about \$300 million more per year than anticipated a year ago.

Compensation

Another priority of COF is to do our part in convincing the legislative and executive branches of WA government to increase the funding for the salary and benefits (“compensation”) for university employees at the same percentage increase as was given to other state employees for this current biennium. The increases for other state employees were set at 2% per year, which is about the same as the cost of inflation, as indicated by the approximately 2% rise in the Consumer Price Index in the 2017 Calendar year.

The problem for university personnel is that only a 1% and not a 2% compensation increase was allocated from the state operating budget. Instead, the other 1% increase is directed to come from

tuition increases. But because tuition increases for resident undergraduate students legally cannot exceed 2.2% for the biennium, and the goal at each university is to maintain tuition where it is—and preferably to lower it—the outcomes for this 1% deficiency in funding for university personnel are problematic.

The WSU administration, for example, has decided to accept only the 1% increase, but CWU, EWU, WWU and The Evergreen State College presidents, and the United Faculty of Washington State (representing the Faculty Unions of all four regional comprehensive universities) are asking that the 1% shortfall, which is nearly \$18 million for the 2017-19 biennium, be restored. The steadfast position at COF is that all personnel at all 6 universities should receive the full 2% compensation out of the state operating budget, just as all other state employees are receiving that funding. There is no funding for this restoration, however, in either the House or Senate 2018 supplemental budget proposals for the 2017-2019 biennium. COF members have visited legislators and have given oral and written testimony to policy and fiscal committees and have provided the rationale and request for restoring the 1%. We have also politely requested that we not be placed into the position to raise tuition in the next biennium to meet the scheduled compensation increase.

State Work Study

One of COF funding priorities for the 2018 legislative session included increased funding for State Work Study. There were no increases in the Governor's December 2017 supplemental operating budget proposal suggested for either the State Need Grant or State Work Study. The House and Senate are making strong efforts to improve funding for the State Need Grant, but increasing funding for State Work Study was “not on their radar” to quote one prominent Senator. This inattention to State Work Study was odd, given that Washington Student Achievement Council—which is a cabinet level agency in the Governor's Office—made one of its priorities strongly increasing State Work Study funding in the 2018 supplemental operating budget. Governor Inslee's proposed supplemental operating budget did not include increased funding for State Work Study, so apparently following the lead of the Governor's office, both the House and Senate excluded increased funding for State Work Study. Despite COF letters and visits to legislators, there seems to be no impetus for increased State Work Study Funding for the remainder of this biennium, although there does seem to be interest by some key legislators in policy and fiscal committees in correcting this anemic funding for State Work Study in the next biennium. COF has resolved to work with WSAC and the legislature to re-vivify funding for State Work Study in the 2019-2021 biennium.

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