

Date: March 30, 2023

Subject: House and Senate Proposed 2023-25 Biennial Operating and Capital Budgets

Leadership in the Senate Ways & Means committee released their initial [capital](#) and [operating](#) budget proposals for the 2023-25 biennium on March 20 and March 23, respectively. Leadership in the House Appropriations and Capital Budget committees released their 2023-25 [operating](#) and [capital](#) budget proposals on March 27. Both chambers also included proposals to amend the 2023 supplemental operating budget. These Initial proposals from the legislature follow the release of the [Governor's proposals](#) in December. Senate and House proposals can be found on the State's [Fiscal Information website](#).

This brief covers versions released by leadership in fiscal committees of each chamber (Senate Ways & Means, House Appropriations, and House Capital Budget committees) and any changes approved by committee and/or floor votes as of the date of posting. **This brief will be updated if any additional changes occur before the House and Senate release compromise budgets.**

As a reminder, in sessions occurring in odd-numbered years (such as the current session), lawmakers are tasked with setting two-year state budgets, which they have an opportunity to amend during supplemental sessions in even-numbered years. The legislature may also propose changes to the current fiscal year's budget, which would alter funding amounts for the final months of the fiscal year (end of the session – June 30). While this is uncommon, the legislature has utilized these supplemental budgets to address emergent needs. The 2023 session began on January 9, 2023, and will end on or before April 23, 2023, with the option of one or more 30-day special sessions.

For a review of the 2022 supplemental budget, please see the [OPB's brief page](#) on our website. For more information regarding the UW's current requests for state funding, please see our 2023-25 operating and capital submissions on [OPB's State Budget Information page](#).

OPERATING BUDGETS

At the end of the 2022 legislative session, the economic outlook in Washington state was forecasted positively. Overall revenue projections released by the Economic and Revenue Forecast Council (ERFC) were greater than anticipated by approximately \$1 billion in the 2021-23 biennium. Because of this, lawmakers approved a 2022 supplemental budget that appropriated significant funding to the UW, including compensation and hospital safety-net support. However, beginning with the [June 2022 Revenue Forecast](#), the ERFC's overall outlook shifted to caution that economic growth, while still positive, was slowing. This trend has progressed, and the [March 2023 forecast](#) revised revenue down compared to the November 2022 forecast.

Based on the March 2023 forecast, the legislature's operating budget proposals are somewhat aligned with what was proposed by the Governor, and all proposals reflect increases over the previous biennium. Many of the UW academy requests would be funded, and UW Medicine would receive one-time \$100-150 million appropriations through each of the budget proposals. Other funding approaches varied by budget as outlined below.

Direct Impacts to the UW

Overall, the House and Senate biennial operating budget proposals reflect an increase of \$107 million and \$242 million over the carry-forward level (cost of continuing the 2021-23 budget into 2023-25), respectively.

Table 1, on the next page, shows the total funding provided over the 2021-23 biennium (FY22 and FY23), the proposed 2023 supplemental budgets (affecting FY23), the assumed base funding (the cost of continuing appropriations from the previous biennium into the upcoming biennium), and the proposed biennial operating budget proposals (FY24 and FY25).

Table 1: UW State Funding - 2023 Supplemental and 2023-25 Biennial Operating Budget Proposals
Near General Fund State (in \$1,000s)

Budget	FY1	FY2	Total
Current Biennium (affecting FY23)			
2021-23 Base Funding (Biennial Budget + 2022 Supplemental)	434,927	469,852	904,779
Governor's Proposed 2023 Supplemental Budget	434,927	572,209	1,007,136
Senate Proposed 2023 Supplemental Budget	434,927	522,209	957,136
House Proposed 2023 Supplemental Budget	434,927	572,209	1,007,136
Upcoming Biennium (FY24 and FY25)			
2023-25 Base Funding (2021-23 Base + Carryforward Level)	446,549	445,282	891,831
Governor's 2023-25 Biennial Operating Budget	504,635	527,234	1,031,869
Senate 2023-25 Biennial Operating Budget	605,371	528,587	1,133,958
House 2023-25 Biennial Operating Budget	489,145	509,419	998,564

Table 2, below, shows a line-by-line breakdown of the funding levels and policy changes proposed in the 2023 supplemental operating budget, amending the current budget for the final months of 2023. Table 3, on the next page, details the 2023-25 biennial operating budget. Line items are described in more detail on the following pages.

Table 2: 2023 Supplemental Operating Budget Proposals
Near General Fund State (in \$1,000s)

	Governor Proposed	Senate			House		
	2021-23 Total	FY22	FY23	2021-23 Total	FY22	FY23	2021-23 Total
2021-23 Base Funding (2021-23 + 2022 Supplemental)	904,779	434,927	469,852	904,779	434,927	469,852	904,779
Maintenance & Policy Level Changes	102,357	-	102,357	102,357	-	102,357	102,357
Tuition Backfill Inflation Adjustment	2,357	-	2,357	2,357	-	2,357	2,357
UW Medicine Safety Net*	100,000	-	50,000	50,000	-	100,000	100,000
Total Funding	1,007,136	434,927	522,209	957,136	434,927	572,209	1,007,136

*Funding in the original Senate Budget was \$18M from General Fund - State and \$82M from the State Coronavirus Fiscal Recovery Fund (CFRF). An amendment in the Senate moved \$50M of the CFRF to FY24. The Governor and House budgets would fund \$100M from GF-S.

Table 3: 2023-25 Operating Budget Proposals
Near General Fund State (in \$1,000s)

		Governor	Senate			House		
		BI Total	FY24	FY25	BI Total	FY24	FY25	BI Total
2023-25 Base Funding (2021-23 + CFL) *		891,831	446,549	445,282	891,831	446,549	445,282	891,831
Maintenance Level Changes		51,107	22,783	26,398	49,181	8,001	9,747	17,748
Maintenance & Operations (ML+PL)		10,339	3,006	5,519	8,525	1,137	1,781	2,918
Tuition Backfill Inflation Adjustment		8,670	3,793	4,877	8,670	3,793	4,877	8,670
ML Central Service Adjustment		541	552	568	1,120	552	568	1,120
Workers Compensation		2,357	832	834	1,666	832	834	1,666
Ramp-up Funding		3,374	1,687	1,687	3,374	1,687	1,687	3,374
Preventative Maintenance Fund Shift		25,826	12,913	12,913	25,826	-	-	-
Policy Level Changes		88,931	136,039	56,907	192,946	34,595	54,390	88,985
Compensation	Policy Level Central Service Adjustments	6,410	1,646	1,522	3,168	1,943	1,808	3,751
	SEIU 925	3,341	1,538	1,886	3,424	1,538	1,886	3,424
	WFSE 1488 & 3488	2,684	1,241	1,511	2,752	1,241	1,511	2,752
	Teamster 117 Police	235	75	166	241	75	166	241
	WFSE Police Management	141	47	97	144	47	97	144
	Non-Rep General Wage Increases	29,630	10,950	19,407	30,357	10,950	19,407	30,357
	Compensation/Fund Split Support	20,490	8,310	14,483	22,793	6,316	11,008	17,324
	Termination of Plan 1 UAAL Rate	-	(732)	(1,034)	(1,766)	-	-	-
	Total Employee Benefits Changes	4,206	528	1,418	1,946	3	1,136	1,139
UW Medicine Safety Net		-	100,000	-	100,000	-	-	-
Tri-Campus High Demand Enrollments		10,578	3,716	6,862	10,578	3,989	4,849	8,838
RIDE Program Expansion		4,326	-	-	-	1,991	2,335	4,326
BHTF Physician & Facility Support		6,558	2,375	4,183	6,558	712	4,183	4,895
Student Support Services (Tacoma)		-	-	-	-	698	699	1,397
Buy Clean, Buy Fair		332	-	-	-	194	138	332
5048 College in High School Fees		-	1,644	1,644	3,288	-	-	-
5094 Water System Plans/Climate		-	174	-	174	-	-	-
5388/1745 Diversity in Clinical Trials		-	686	669	1,355	364	364	728
5189 Behavioral Health Support		-	96	61	157	-	-	-
Burke Museum Tribal Relations		-	250	250	500	400	400	800
Centre for Indigenous Health		-	500	500	1,000	-	-	-
Difficult to Discharge Pilot		-	205	-	205	205	-	205
Family Medicine Residency Program		-	1,000	1,000	2,000	-	-	-
International Trade/Forest Products		-	175	175	350	-	-	-
Labor Archives of WA		-	50	50	100	-	-	-
Latino Center for Health		-	250	250	500	150	150	300
WA MESA		-	350	350	700	473	473	946
Nanocellulose Pilot Facility		-	150	450	600	200	200	400
Kelp Conservation & Recovery		-	242	242	484	-	-	-
Telehealth Collaborative		-	50	50	100	-	-	-
WA Population Data Repository		-	523	715	1,238	-	-	-
Oral Health Workforce		-	-	-	-	100	-	100
Applied Child and Adolescent Psych		-	-	-	-	713	1,511	2,224
Addiction, Drug & Alcohol Institute		-	-	-	-	250	250	500
Culturally Responsive Mental Health		-	-	-	-	400	400	800
Review Recorded Covenants		-	-	-	-	225	201	426
Inequalities Research Framework		-	-	-	-	200	-	200
Long-Term Care Nursing		-	-	-	-	150	150	300
Planning Program Stipends		-	-	-	-	100	100	200
Post Prison Pathways		-	-	-	-	400	400	800
1559 Postsecondary Student Needs		-	-	-	-	293	293	586
Telemedicine Collaborative		-	-	-	-	50	50	100
Public Service Grad. Aid		-	-	-	-	225	225	450
Total Funding		1,031,869	605,371	528,587	1,133,958	489,145	509,419	998,564

*A Senate committee amendment added \$100M for UW Hospital Support (\$50M GF-S and \$50M moved from the FY23 CFRF appropriation).

Tuition Policy

All budget proposals assume the continuation of current tuition policy (enacted by [2ESSB 5954](#), 2015), which has allowed resident undergraduate tuition increases of approximately 2.2-2.8 percent each year. Part of that policy requires an inflationary adjustment to tuition backfill amounts provided in previous budgets. The backfill adjustments in the House and Senate budget proposals match the Governor's budget and would result in an additional \$2.3 million in the 2023 supplemental budget and \$8.7 million in funding over the new biennium.

Compensation and Benefits

Compensation:

Salary increases for faculty and staff were the University's highest priority requests for the 2023-25 biennial budget.

- For represented staff, 2023-25 collective bargaining agreements (CBAs) submitted by the University would be approved. This includes four new collective bargaining agreements that were determined to need state approval prior to the legislative session. New agreements were approved but did not include any additional state funding, and therefore are not reflected in the table above.
- For non-represented faculty and staff, House and Senate proposals assume salary increases of 4 percent in FY24 and 3 percent in FY25. Importantly, all proposals would improve the "funding split" between state funding and assumed tuition revenue. However, the Senate would provide the requested 66 percent of the total cost in state funding, but the House would provide only 60 percent state funding.
 - It is also important to note that compensation funding provided by the state only covers a portion of what is needed to cover the cost of salary increases. These salary increases are paid by the combination of state funding and tuition revenue (our General Operating Fund) only and account for a small fraction of our employee base. Salary increases for all other employees need to be funded from other sources of revenue.
- As part of the funding for salary increases in the budget, two provisions are included in all budgets for one-time lump sum payments to many state employees **outside of higher education** (retention payments and COVID-19 booster incentives).

Benefits:

Both the House and Senate proposals would update monthly employer contribution caps. The House proposed the lowest limits and would maintain the current \$1,130 cap in FY23 through FY24 then increase the cap to \$1,184 in FY25. The Senate would increase caps to \$1,145 per eligible employee in FY24 and \$1,191 in FY25. In comparison, the Governor proposed \$1,160 in FY24 and \$1,233 in FY25. These benefit assumptions represent significant costs across all UW activities and are passed through to unit cost centers via benefit load rates.

The Senate budget would reduce state funding and cost assumptions across several state budgeted funds related to [Senate Bill 5294](#), which would change employer contributions to the unfunded actuarial accrued liability (UAAL) of PERS 1 and TERS 1 retirement plans. The state funding reduction for the UW amounts to about \$1.7 million over the biennium but the budget assumes savings across all UW budgeted funds, which would be factored into benefits rates.

Maintenance Level Changes

The UW submitted several budget requests at the maintenance level including maintenance and operations for new buildings, completing planned ramp-ups of funding for items funded in previous budgets, and a maintenance and operations (M&O) fund shift. Budget proposals vary between funding these items at the maintenance and policy levels, but we will summarize budget approaches for maintenance level requests here.

- **Maintenance & Operations:** \$3.3 million in FY24 and nearly \$7 million in FY25 for maintenance & operations of UW Bothell – STEM4 (Innovation Hall), the Interdisciplinary Engineering Building (IEB) at UW Seattle, and the Behavioral Health Teaching Facility (BHTF) at UW Medical Center – Northwest Campus. All three buildings are state funded and will be completed during the 2023-25 biennium. The Governor would have fully funded these requests, but the House and Senate took different approaches:
 - Senate: \$3 million in FY24 and \$5.5 million in FY25. IEB was discounted due to replaced (demolished) space and delaying occupancy across FYs, and BHTF was given a lower cost per square foot assumption. Bothell STEM 4 would be fully funded.
 - House: \$1.1 million in FY24 and \$1.8 million in FY25. Would partially fund M&O for IEB and Bothell STEM 4 (using same approach as the Senate) but would **not** fund BHTF.
- **Ramp-Up Funding:** \$3.4 million beginning in FY24 to continue planned funding ramp-ups of legislation passed during the state's 2021-23 biennial and 2022 supplemental budgets. These are important investments that were intended to ramp up into the 2023-25 biennium including child psychiatry fellowships, psychiatry residencies, DEI training for UW employees and students, the Suicide Safer Homes Task Force, and cannabis research and education. Absent additional state appropriations, these activities would not expand as intended by previous legislatures. All budgets would ramp up these items as intended, though the House and Senate would do so as separate proviso allocations at the policy level. House allocations are largely funded out of the Workforce Education Investment Account (WEIA).
- **Maintenance & Operations Fund Shift:** Since the 2003-05 and 2005-07 budgets, a biennial total of \$25.825 million in UW operating funds to support M&O has been shifted from appropriations in the state operating budget to expenditures from the UW Building Account. Fulfilling this request would enable the UW to make urgent investments in renewal and address our deferred maintenance backlog which totals well over \$2 billion. The Governor's proposals would have made this an ongoing shift. The Senate would make the shift but coded it as one-time, so would shift the funds for the 2023-25 biennium only. The House budgets would **not** fulfill the request.

Policy Level Changes

All budget proposals from the Governor, Senate, and House included funding for many UW budget requests at the policy level. These requests, particularly those around student support services and the UW Medicine safety net, addressed critical needs across the UW that have been exacerbated by the COVID-19 pandemic. We will continue to work with lawmakers regarding these priorities. More detail about each request that was included in either the House and/or Senate budget proposal is detailed below:

UW Budget Requests:

- **Tri-Campus High Demand Enrollments:** The University requested \$3.7 million in FY24 and \$6.9 million in FY25 to offer additional enrollment slots in computer science and engineering disciplines on each campus. **This request is likely to be partially funded** as the Governor, Senate, and House budget proposals would not include funding for Engineering student support services and/or to increase enrollments at the Information School on the Seattle Campus. A detailed breakdown of proposed funding levels include:
 - **Governor & Senate:** The Paul G. Allen School of Computer Science and Engineering would receive \$2 million in FY24 and \$4 million in ongoing funding starting in FY25, the UW Bothell School of STEM would receive \$862,000 per year (one-time in the Senate only), and the UW Tacoma School of Engineering and Technology would receive \$854,000 in FY24 and \$2 million in ongoing funding starting in FY25. These items are funded by the Workforce Education Investment Account.
 - **House:** The Paul G. Allen School of Computer Science and Engineering would receive \$2 million per year in ongoing funding starting in FY24 for enrollment and \$125,000 in each FY24 and FY25 for the Startup program (one-time funding). The UW Bothell School of STEM and The College of Engineering (Seattle) would receive \$862,000 and \$362,000, respectively, per year to establish and expand the STARS program on the Bothell and

Seattle campuses (ongoing funding). The UW Tacoma School of Engineering and Technology would receive \$640,000 in FY24 and \$1.5 million in FY25 and beyond, a portion of the University's request. These items are funded by the Workforce Education Investment Account.

- **UW Medicine Safety Net:** Below are the three components of the University's original requests.
 - **Permanent biennial funding of \$40 million:** Not continued in any budget proposal.
 - **One-time \$100 million in the FY23 Second Supplemental Budget:** The original Senate budget would have provided \$18 million from the State General Fund and \$82 million from Coronavirus State Fiscal Recovery Funds (compared to all General Fund in Governor's and House budget proposals). An amendment in Senate committee would move \$50 million from CFRF from FY23 into FY24.
 - **Additional one-time funding in FY24 and FY25:** No funding in any initial proposal. However, the Senate moved \$50 million of CFRF funding from FY23 to FY24 and added an additional \$50 million in FY24 from the General Fund. In total, the Senate budgets would provide \$50 million in FY24 and \$100 million in FY25.
- **Dentistry RIDE Expansion:** The University requested \$2 million in FY24 and \$2.3 million in FY25 to expand the capacity and footprint of the Regional Initiatives in Dental Education (RIDE) program at the Spokane Riverpoint campus. The Governor would fully fund the request from the General Fund. The original House budget partially funded the request, but a committee amendment increased the amount to the request, which would be funded from the Workforce Education Investment Account (ongoing). The Senate budget **did not** include an appropriation.
- **BHTF Physician & Facility Support:** The University requested full cost-based reimbursement for the 75 90/180 day civil commitment beds in the new Behavioral Health Teaching Facility. The Senate only provided partial federal share reimbursement (\$23.8 million) while the House provided full cost-based reimbursement (\$21.2 million in state funding and \$30.2 million in federal funding). The University also requested funding to support faculty clinicians providing services in the long-term civil commitment beds of \$6.6 million over the 2023-25 biennium. The Senate provided full funding for this request but only one-time. The House reduced the request to \$4.9 million for the biennium by reducing the assumptions around how long it would take to hire staff in FY24 and is also one-time funding. The first piece for cost-based reimbursement would occur through the Health Care Authority (HCA) so is not reflected in the tables above.
- **Student Support Services (Tacoma):** The University requested \$4 million over the biennium for student support services on each campus. The Senate and Governor's budget did not provide funding for this request. The House budget proposal would fund a portion of this request, \$698,000 in FY24 and \$699,000 in FY25, at UW Tacoma only. This funding level matched our original request for the Tacoma campus, but funding is expected to be one-time rather than ongoing. The House proviso would be funded from the Workforce Education Investment Account.
- **UW requests not funded in any budget proposals:**
 - **UW Quantum Initiative** (\$6 million over the biennium)
 - **Tri-campus High Demand Enrollments – Information School** (\$1.8 million over the biennium)
 - **Student Support Services - Bothell & Seattle** (\$2.6 million over the biennium)

Included in Senate and House Budget Proposals:

- **Water System Plans/Climate:** \$174,000 in FY24 (Senate) and \$75,000 in each FY24 and FY25 (House) for the implementation of [Substitute Senate Bill 5094](#) and [Engrossed Second Substitute House Bill 1181](#), respectively. This would add a climate resilience element to water system plans. This funding would allow the Department of Health to contract with the UW Climate Impacts Group for this work. The House proviso would be funded through the Climate Commitment Account and is not included in the table above. This is expected to be one-time funding.
- **Burke Museum Tribal Relations:** \$250,000 in each FY24 and FY25 (Senate) and \$400,000 in each FY24 and FY25 (House) is provided for the Burke Museum to engage in tribal relations work, including tribal consultation, expanding Native programming, and digitization of Native collections. This is expected to be one-time funding.

- **Diversity in Clinical Trials:** \$686,000 in FY24 and \$669,000 in FY25 (Senate) and \$364,000 in each FY24 and FY25 (House) to adopt policies regarding diversity in clinical trials as provided in [Substitute Senate Bill 5388](#) and [Second Substitute House Bill 1745](#). This is expected to be ongoing funding.
- **Difficult to Discharge Pilot:** \$205,000 in FY24 to organize and facilitate a difficult to discharge task force to oversee a pilot program and make recommendations about how to address challenges faced with discharging patients from acute care settings and post-acute care capacity. This is expected to be one-time funding.
- **Latino Center for Health:** \$250,000 in each FY24 and FY25 (Senate) and \$150,000 in each FY24 and FY25 (House) to support the Latino Center for Health. This is expected to be ongoing funding.
- **WA MESA:** the Washington Mathematics, Engineering, Science Achievement (WA MESA) Program received two provisos in the Senate operating budget proposal that total \$350,000 in each FY24 and FY25. \$100,000 is for WA MESA and Washington State University (WSU) Everett to plan and implement expansion of MESA activities at the Everett campus; and \$250,000 is to support the WA MESA program. In the House operating budget proposal, \$473,000 was provided in each FY24 and FY25 for program directors, expansion to WSU Everett, and to develop a cybersecurity program in the Tri-Cities. The Senate would fund this proviso from the General Fund, while the House would fund from the Workforce Education Investment Account. This is expected to be ongoing funding in both proposals.
- **Nanocellulose Pilot Facility:** \$260,000 in each FY24 and FY25 (Senate) and \$200,000 in each FY24 and FY25 (House) for the operation of a pilot plant to produce nanocellulose-based materials for evaluation by potential users. This is expected to be one-time funding.

Senate Budget Only:

- **College in the High School Fees:** \$1.64 million in each FY24 and FY25 for College in the High School courses as provided in [Second Substitute Senate Bill 5048](#). This is expected to be ongoing funding.
- **Behavioral Health Support:** \$96,000 in FY24 and \$61,000 in FY25 for the implementation of [Substitute Senate Bill 5189](#) which establishes behavioral health support specialists. This is expected to be one-time funding.
- **Center for Indigenous Health:** \$500,000 in each FY24 and FY25 for the Center for Indigenous Health to increase the number of American Indian and Alaska Native physicians practicing in the state. This is expected to be ongoing funding.
- **Family Medicine Residency Program:** \$1 million in each FY24 and FY25 to expand the Family Medicine Residency Program. This proviso was funded from the Education Legacy Trust Account and is expected to be ongoing funding.
- **International Trade/Forest Products:** \$175,000 in each FY24 and FY25 for the UW Center for International Trade in Forest Products. This is expected to be ongoing funding.
- **Labor Archives of WA:** \$50,000 in each FY24 and FY25 to support the Labor Archives of Washington. This is expected to be ongoing funding.
- **Kelp Conservation & Recovery:** \$242,000 in each FY24 and FY25 to perform coordination, monitoring, and research related to Puget Sound kelp conservation and recovery. This is expected to be one-time funding.
- **Telehealth Collaborative:** \$50,000 in each FY24 and FY25 for the continuation of the telehealth collaborative. This is expected to be one-time funding.
- **WA Population Data Repository:** \$523,000 in FY24 and \$715,000 in FY25 to establish WashPop, a statewide integrated data repository for population and policy research. This is expected to be one-time funding.

House Budget Only:

- **Oral Health Workforce:** \$100,000 in FY24 for the Center for Health Workforce Studies to continue a program to track dental workforce trends, needs, and enhancements to better serve increasing demand for access to adequate oral health care. This is expected to be one-time funding.
- **Applied Child and Adolescent Psych:** \$713,000 in FY24 and \$1.5 million in FY25 for program support and student scholarships for the expansion of the Master of Arts in Applied Child and Adolescent Psychology. This proviso was funded from the Workforce Education Investment Account and is expected to be one-time funding.
- **Addiction, Drug & Alcohol Institute:** \$250,000 in each FY24 and FY25 for the Addictions, Drug, and Alcohol Institute to continue cannabis and public health impact research. This is expected to be one-time funding.
- **Buy Clean, Buy Fair:** \$194,000 in FY24 and \$138,000 in FY25 for the UW as an awarding authority in implementing [Engrossed Substitute House Bill 1282](#). This proviso was included in the Governor's budget proposal and is expected to be one-time funding.
- **Culturally Responsive Mental Health:** \$400,000 in each FY24 and FY25 for the CoLab for Community and Behavioral Health Policy to work in collaboration with the Latino Center for Health and allies to convene a community coalition and design team to develop recommendations for the expansion of culturally responsible community mental health services focused on children and adolescents in the state. This proviso was funded from the Workforce Education Investment Account and is expected to be one-time funding.
- **Review Recorded Covenants:** \$225,000 in FY24 and \$201,000 in FY25 to continue the implementation of [RCW 49.60.525](#). This is expected to be one-time funding.
- **Inequities Research Framework:** \$200,000 in FY24 to develop a framework for research to help determine inequities in poverty, access to service, language barriers, and access to justice for individuals of Middle Eastern descent. This is expected to be one-time funding.
- **Long-Term Care Nursing:** \$150,000 in each FY24 and FY25 for web-based long-term care nurse residency program and a social media campaign promoting long-term care nursing. This is expected to be one-time funding.
- **Planning Program Stipends:** \$100,000 in each FY24 and FY25 for planning program student studios to assist cities and counties with planning projects. This is expected to be one-time funding.
- **Post Prison Pathways:** \$400,000 in each FY24 and FY25 for the development and implementation of a program to support pathways from prison to UW Tacoma. This proviso was funded from the Workforce Education Investment Account and is expected to be one-time funding.
- **Postsecondary Student Needs:** \$293,000 in each FY24 and FY25 to implement [Second Substitute House Bill 1559](#) and hire one benefits navigator per campus. This proviso was funded from the Workforce Education Investment Account and is expected to be ongoing funding.
- **Telemedicine Collaborative:** \$50,000 in each FY24 and FY25 for the continuation of the Collaborative for the Advancement of Telemedicine, hosted by the UW Telehealth Services through June 30, 2025. This is expected to be one-time funding.
- **Public Service Grad Aid:** \$225,000 in each FY24 and FY25 to provide aid for students in fee-based public service-oriented graduate and professional degree programs. Similar funding was provided in FY23 but was set to expire.

OTHER NOTABLE CHANGES

- **Transportation Budget:** Both the House and Senate transportation budgets would provide \$2 million over the biennium for a sidewalk inventory and accessibility mapping project led by faculty in the Paul G. Allen School of Computer Science. This would be funded from the Multimodal Transportation Account and would be used to develop a public dataset under an open license and develop the tools needed to publish that data according to an

open data specification. The House transportation budget would also provide \$6 million in the 2023-25 biennium and \$10 million in the 2025-27 biennium for the Burke-Gilman Trail Transit Access, Safety & Efficiency Improvements project. The Senate proposal would push this project into the next biennium and phase funding in more slowly.

- **Clean Energy Strategy:** \$3 million in FY24 to develop a Clean Energy Strategy that will help define the modernization/recapitalization of the existing energy infrastructure and better align UW's sustainability values for the Seattle campus. This proviso was included in the Governor's and House budget proposals, but not the Senate. Funds would be provided from the Climate Commitment Account, and therefore are not included in the table above.
- **Response to Ocean Acidification:** The Governor's budget would shift existing funding for the Washington Ocean Acidification Center from the Aquatic Lands Enhancement Account to the Natural Climate Solutions Account (\$812,000 in FY24 and \$834,000 in FY25). The Senate and House would maintain that funding in the Aquatic Lands Enhancement Account. In all budgets, WOAC would receive two additional funding items: \$150,000 per year to maintain existing monitoring levels, and \$260,000 per year to advance high-priority biological experiments. These funds would be provided from the Climate Commitment Account - State and Natural Climate Solutions Account - State, and therefore are not included in the table above.
- **Behavioral Health Crisis Response:** The House budget would provide \$530,000 in FY24 and \$683,000 in FY25 to implement changes to the Behavioral Health Crisis Response System pursuant to Engrossed Second Substitute House Bill 1134. This proviso would be funded from the Statewide 988 Behavioral Health & Suicide Prevention Line Account – State, and therefore is not included in the table above.
- **New Central Services:** Both the House and Senate budgets would add new central services for “each agency’s share of the state data center” and for the Governor’s Office. Billing authority includes appropriation amounts but also requires payment from assumed tuition revenue. These charges represent significant cost to the University.
- **Office Space Use Reduction:** Like the Governor’s budget, the Senate and House budgets assume cost savings from a reduction in leased office space by state agencies including institutions of higher education. No cost savings would be removed from UW appropriations in the near term, and we will work to better understand the future impacts.

FINANCIAL AID

Table 4 outlines the financial aid provisions for the Washington Student Achievement Council (WSAC) included in the budgets proposed by the Senate, House, and Governor. Senate and House provisions are summarized below.

	Governor's Proposal	Senate Proposal	House Proposal
Washington Student Loan Program	150,000		130,000
Washington College Grant (WCG) Award Adjustments			21,051
Good Jobs Challenge Authority	16,000	16,000	16,000
WCG Eligibility Extension (SB 5711)		12,800	
Behavioral Health Workforce			10,500
Washington Health Corps Loan Repayments			10,000
Career and College Pathways Grants	8,000	8,000	
College Services Support	5,778	5,778	2,800
Career Connect Washington Program Grant Funding	3,150		
Office of Career Connect Washington	2,538		
WCG Increase for Private Institutions	2,003		
Dual Language Educator Scholarships			2,000
National Guard Grants			2,000
College Bound Scholarship Eligibility (HB 1232)			1,156
Students Experiencing Homelessness (ESSB 5702)		936	
Total Funding:	188,216	43,514	195,507

Senate and House Budgets:

- **Good Jobs Challenge Authority:** \$16 million through a U.S. Department of Commerce grant to create equity focused, work-based learning programs. This program was funded at the same level in the Governor's proposed budget.
- **College Services Support:** \$5.8 million to support underserved college students in King County is included in the Senate and Governor's budgets while \$2.8 million is included in the House budget.

Senate Budget Only:

- **Washington College Grant Program Eligibility Extension:** \$12.8 million to extend eligibility under [SB 5711](#). Students would be eligible to receive the grant for six years or 150 percent of the length of the student's program. Separately, the Senate budget proposal allows students whose families make between 56-60 percent of the median family income (MFI) to receive the maximum award amount.
- **Career and College Pathways Grant Program:** \$8 million to increase postsecondary enrollment rates and close equity gaps. This program was funded at the same level in the Governor's proposed budget.
- **Students Experiencing Homelessness:** \$936,000 to expand a pilot program assisting students experiencing homelessness to all four-year institutions as part of [ESSB 5702](#).

House Budget Only:

- **Washington Student Loan Program:** \$130 million for the program, which was created in [HB 1736](#) in 2022 to provide low interest loans to post-secondary students. The Governor's budget included **\$150 million** for this program.
- **Washington College Grant Program Award Adjustments:** \$21.1 million to allow students whose families make up to 65 percent of MFI to receive the maximum award starting in fiscal year 24. Starting in fiscal year 25, students with families making over 65 percent of MFI will be eligible for partial awards.
- **Behavioral Health Workforce:** \$10.5 million for loan repayment awards and a stipend payment program for behavioral health workforce students.
- **Health Corps Loan Repayment:** \$10 million for loan repayment awards within the Washington Health Corps program.
- **Dual Language Educator Scholarships:** \$2 million for scholarships for dual language education students.
- **National Guard Grants:** \$2 million for grants to student members of the national guard.
- **College Bound Scholarship Eligibility:** \$1.2 million to implement [HB 1232](#), which removes the grade point average requirement for the College Bound Scholarship Program for students attending community and technical colleges.

For information about the operating budget, contact [Jed Bradley](#) or [Lauren Hatchett](#). For more information about financial aid, please contact [Michael Lantz](#).

CAPITAL BUDGET

The House and Senate released their 2023-25 capital budget proposals on Monday of this week and last week respectively, which followed Governor Inslee's proposal from December. [The House's proposed 2023-25 capital budget](#) would appropriate \$78.7 million in new state funding for capital projects, along with \$93.8 million from the UW Building Account and \$2 million from the state's Model Toxics Control Account (MTCA). [The Senate's proposed 2023-25 capital budget](#) would appropriate \$128.9 million in new state funding, and the same amounts from the UW Building Account and from the MTCA.

Overall, the Senate proposal fully funded all of the UW's requests, and the House proposal would not fund several of the UW's requests. The following is a comparison of House and Senate proposals:

- **Magnuson Health Sciences T-Wing – Phase 2:** \$58 million for Phase 2 of the T-Wing Renovation at the Magnuson Health Sciences Center. The project would be **fully funded in both House and Senate proposals**.
- **Anderson Hall Renovation:** \$28.7 million in construction funding for Anderson Hall, a part of the UW's original Restore the Core program to revitalize some of our oldest buildings on campus. **Funded in Senate proposal, not in House proposal.**
- **Chemical Sciences Modernization:** \$5 million in design funding for Chemical Sciences Modernization, a multi-phased interdisciplinary project, co-locating research faculty members from Chemistry, Materials Science and Chemical Engineering departments. **Funded in Senate proposal, not in House proposal.**
- **wələbʔaltxʷ (Intellectual House) – Phase 2:** \$9 million in design and construction funding for the second phase of wələbʔaltxʷ (Intellectual House). **Funded in Senate proposal, not in House proposal.**
- **UWMC NW Campus - Behavioral Health Renovation:** \$13 million for the ongoing building renovation at UWMC Northwest Campus for behavioral health improvements. **Funded in Senate proposal, not in House proposal.**
- **UW Tacoma – Land Acquisition:** \$7.7 million to purchase additional land around the Tacoma campus. **Fully funded in House and Senate proposals.**

Both proposals also included the UW's requested amount of **\$93.8 million from the UW Building Account** for Asset Preservation, Infrastructure Renewal, and Major Infrastructure (Seismic Improvements) projects, however this was achieved through different funding mechanisms. The Governor and Senate proposals would fund the M&O fund shift by providing \$25.8 million in the operating budget, freeing up Building Account funds to fully fund the UW's requests on the capital side. While the Governor's proposal made this shift ongoing, the Senate proposal included the shift for the 2023-25 biennium only. These funds would help address deferred maintenance and support the preservation and renewal of facilities across all three campuses. The House proposal did not include the M&O fund shift, and instead would provide \$13 million in new state funds towards Infrastructure Renewal, and reduced the overall request from \$35 million to \$22.2 million, providing for \$25.8 million from the UW Building Account for Preventative Maintenance.

The Senate proposal also provided **\$7.5 million for the UW Clean Energy Testbeds** as a new state appropriation from the Climate Commitment Account. This was provided in the 2022 Supplemental budget as an expenditure authority from assumed federal funds, which has been rectified in the Senate proposal. As noted above, \$3 million was provided in the House operating budget proposal for the development of a Clean Energy Strategy for the Seattle campus.

Please see the table, on the next page, for a comparison of the UW's capital budget request to the amounts in the House and Senate proposed 2023-25 capital budgets. For more information about the capital budget, contact [Charlotte Shannon](#).

Table 5: 2023-25 Capital Budget Proposals (in \$1,000s)

Appropriations (Requested Projects)	Final 2023-25 UW Request			Governor's Budget			House Budget			Senate Budget		
	State Funds	UW Building Account	State Toxics Control	State Funds	UW Building Account	State Toxics Control	State Funds	UW Building Account	State Toxics Control	State Funds	UW Building Account	State Toxics Control
Magnuson Health Sciences – Phase 2	58,000			58,000			58,000			58,000		
Anderson Hall Renovation	28,650			28,650			0			28,650		
Chemical Sciences Modernization	5,000			5,000			0			5,000		
wəˈtəbʔaltx™ (Intellectual House) – Phase 2	9,000			9,000			0			9,000		
UW Tacoma – Land Acquisition	7,700			0			7,700			7,700		
UWMC NW Campus - Behavioral Health Renovation	13,000			13,000			0			13,000		
Asset Preservation (Minor Works & Major Preservation)		44,525			44,525			44,525			44,525	
Infrastructure Renewal		35,000			35,000		13,000	9,175			35,000	
Major Infrastructure (Seismic Improvements)		14,300			14,300			14,300			14,300	
UW Tacoma - Soil Remediation			2,000			2,000			2,000			2,000
UW Clean Energy Testbeds				7,500			0			7,500		
Preventative Maintenance								25,825				
Subtotal:	121,350	93,825	2,000	121,150	93,825	2,000	78,700	93,825	2,000	128,850	93,825	2,000