

Date: March 28, 2025 **[Updated April 1, 2025 with Capital Budget Proposals]**
Subject: House and Senate Proposed 2025-27 Biennial Operating and Capital Budgets

Leadership in the Senate Ways & Means and in the House Appropriations and Capital Budget committees released their initial operating and capital budget proposals for the 2025-27 biennium on March 24 and March 31, respectively. Both chambers also included proposals to amend the 2025 supplemental operating budget. These initial proposals from the legislature follow the release of [Governor Inslee's proposals](#) in December, prior to the end of his term. Both Senate and House proposals can be found on the [State's Fiscal Information website](#).

This brief covers operating and capital budget versions released by leadership in fiscal committees of each chamber (Senate Ways & Means, House Appropriations) and any changes approved by committee and/or floor votes as of the date of posting.

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 short 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 session – June 30). The 2025 regular session began on January 13, 2025, and will end on or before April 27, 2025, with the option of one or more 30-day special sessions.

For a review of the 2024 supplemental budget, please see the [FPB's brief page](#) on our website. UW's 2025-27 state operating and capital budget requests can be found on [FPB's State Budget Information page](#).

EXECUTIVE SUMMARY

- The state is facing a \$12+ billion deficit over four years but must pass a balanced budget. The legislature will likely do so through a mix of budget cuts and new revenue.
- Given significant budget constraints, none of the University's non-compensation requests for 2025-27 would be funded.
- The Senate and House propose state funding reductions to the University of 1% and 2%, respectively. The proposed budgets would make other cuts like targeted reductions to compensation, reducing funding typically provided to offset tuition reductions, or reducing specific proviso allocations.
- Both proposals authorize salary increases for non-represented employees of 3% in FY26 and 2% in FY27 but walk back on recent progress made on our "fund split," the proportion of UW's compensation and benefit costs covered by state funding vs. tuition, providing only 42% of the total needed to fund these increases. This is compared to a 60% fund split in recent years, and far lower than what other higher education institutions receive.
- Given funding reductions, the net incremental funding provided for salary and benefits changes is likely insufficient to implement those changes for non-represented state-funded employees.
- The Senate would provide institutions with flexibility to increase resident tuition beyond current allowable increases to fund compensation and benefits, but only in the second year of the biennium. The state would also capture the majority of that incremental revenue by further reducing state funding to the University.
- The House and Senate capital budget proposals would fund the University's request for a new Chemical Sciences Building and renewal for Bagley Hall, but only the House budget provides some support for UW's ongoing decarbonization efforts.

OPERATING BUDGETS

Economic Forecast and Revenue Proposals

At the end of the 2024 legislative session, the economic outlook in Washington state was uncertain. The Economic Revenue Forecast Council (ERFC) reported to lawmakers throughout the 2023-25 biennium that revenue collections were continuing to slow, and projections remained relatively flat. Lawmakers faced even more uncertainty as they entered the 2025 regular session. Continued unfavorable revenue forecasts were coupled with a projected \$10-12 billion budget deficit over the next four years. The [March 2025 Revenue Forecast](#) revised revenue projections down further for the upcoming 2025-27 and 2027-29 biennia and the four-year budget deficit is now projected to exceed \$12 billion. The legislature's operating proposals aim to balance the budget as projected in the March 2025 Revenue Forecast.

The Senate and House budgets would both rely on new revenue from a proposed tax on individually-held financial intangible assets valued at over \$50 million (\$12.2 billion over four years for the Senate proposal and \$7.1 billion over four years for the House proposal). Additionally, the Senate budgets rely on revenue from a payroll expense tax for employees with incomes above the social security threshold (\$6.6 billion), closing tax loopholes (\$1.0 billion), an increase in the limit on property tax increases (\$0.8 billion), and other proposed savings (\$0.3 billion). At the same time, the Senate would decrease the sales tax from 6.5% to 6%, corresponding to a \$3.2 billion reduction in revenue. It is assumed that the payroll tax proposal would affect the University as currently written. We are assessing potential impacts and working with state leaders to mitigate that impact. The House budget would boost revenue through an increase in the Business and Occupations Tax (\$6.9 billion over four years) and through property taxes and local levies (\$818 million over four years).

Direct Impacts to the UW

Overall, the House and Senate biennial operating budget proposals reflect an increase of \$20.5 million and \$52.7 million over the carry-forward level (cost of continuing the 2023-25 budget into 2025-27), respectively.

Table 1, below, shows the total funding provided over the 2023-25 biennium (FY24 and FY25), the proposed 2025 supplemental budget (affecting FY25), the assumed base funding (the cost of continuing appropriations from the previous biennium into the upcoming biennium), and the proposed biennial operating budgets (FY26 and FY27). Amounts are lower than the previous biennium, largely due to the expiration of one-time funding supporting UW hospitals (\$180 million).

Table 1: UW State Funding - 2025 Supplemental and 2025-27 Biennial Operating Budget Proposals
Near General Fund State (in \$1,000s)

Budget	FY1	FY2	Total
Current Biennium (affecting FY25)			
2023-25 Base Funding (Biennial Budget + 2024 Supplemental)	585,215	609,922	1,195,137
Governor's 2025 Supplemental Budget	585,215	611,138	1,196,353
Senate 2025 Supplemental Budget	585,215	610,613	1,195,828
House 2025 Supplemental Budget	585,215	610,613	1,195,828
Upcoming Biennium (FY26 and FY27)			
2025-27 Base Funding (2023-25 + 2024 Supp + CFL)	514,894	514,042	1,028,936
Governor's 2025-27 Biennial Operating Budget	559,124	567,364	1,126,488
Senate 2025-27 Biennial Operating Budget	545,410	536,232	1,081,642
House 2025-27 Biennial Operating Budget	528,279	521,148	1,049,427

Table 2, below, shows a line-by-line breakdown of the funding levels and policy changes proposed in the 2025 supplemental operating budget, amending the current budget for the final months of FY25. Table 3 details the 2025-27 biennial operating budget. Line items are described in more detail in the following pages.

Table 2: 2025 Supplemental Operating Budget Proposals
Near General Fund State (in \$1,000s)

	Governor Proposed	Senate			House		
	2023-25 Total	FY24	FY25	2023-25 Total	FY24	FY25	2023-25 Total
2023-25 Base Funding (2023-25 + 2024 Supp.)	1,195,137	585,215	609,922	1,195,137	585,215	609,922	1,195,137
Maintenance & Policy Level Changes	1,216	-	691	691	-	691	691
Tuition Backfill Inflation Adjustment	824	-	299	299	-	299	299
College in the High School Adjustment	392	-	392	392	-	392	392
Total Funding	1,196,353	585,215	610,613	1,195,828	585,215	610,613	1,195,828

**Table 3: 2025-27 Operating Budget Proposals
Near General Fund State (in \$1,000s)**

		Governor Proposed	Senate			House		
		2025-27 Total	FY26	FY27	2025-27 Total	FY26	FY27	2025-27 Total
2025-27 Base Funding (2023-25 + 2024 Supp + CFL)		1,028,936	514,894	514,042	1,028,936	514,894	514,042	1,028,936
Maintenance Level Changes		8,028	3,230	3,880	7,110	1,500	994	2,494
Tuition Backfill Inflation Adjustment		5,255	1,480	2,636	4,116	-	-	-
ML Central Service Adjs.		(5,028)	(354)	(860)	(1,214)	(354)	(860)	(1,214)
Worker's Compensation		6,195	1,301	1,301	2,602	1,301	1,301	2,602
College in the High School		784	392	392	784	392	392	784
Ramp-up Funding		322	161	161	322	161	161	322
Funding Fix: SB 6286		500	250	250	500	-	-	-
Policy Level Changes		89,524	27,286	18,310	45,596	11,885	6,112	17,997
PL Central Service Adjs.		869	312	192	504	729	153	882
Compensation	SEIU 925	4,100	1,215	1,655	2,870	1,215	1,655	2,870
	WFSE	3,005	906	1,197	2,103	906	1,197	2,103
	Teamsters 117	288	74	128	202	74	128	202
	WFSE Police Management	146	41	61	102	41	61	102
	UAW 4121 (ASEs)	-	-	-	-	-	-	-
	Non-Rep General Wage Increases	31,017	8,380	13,724	22,104	8,380	13,724	22,104
	Non-Rep Targeted Pay Increase	21	8	7	15	8	7	15
	Total Employee Benefits Changes	11,512	2,193	4,309	6,502	4,093	3,381	7,474
BHTF Support (CBHL)		40,000	20,000	20,000	40,000	10,000	-	10,000
State Funding Targeted Reduction		(1,434)	(4,524)	(4,524)	(9,048)	(10,298)	(10,281)	(20,579)
Temporary Salary Reduction		-	(2,158)	-	(2,158)	-	-	-
Transportation Electrification (SB 5528)		-	21	3	24	-	-	-
Boiler Operator Certification (SB 5694)		-	-	34	34	-	-	-
Harry Bridges Center for Labor Studies		-	150	150	300	-	-	-
Housing Mini Academy		-	63	-	63	-	-	-
Nordic Nations Pilot		-	200	-	200	-	-	-
Friday Harbor Laboratories		-	100	-	100	-	-	-
Tuition Operating Fee		-	-	(18,631)	(18,631)	-	-	-
WA Population Data Repository		-	300	-	300	-	-	-
Ibogaine Assisted Therapy		-	5	5	10	-	-	-
Collective Bargaining/AI Use (HB 1622)		-	-	-	-	350	350	700
Burke Museum		-	-	-	-	80	80	160
Clean Energy Test Beds		-	-	-	-	(2,000)	(2,000)	(4,000)
Clean Energy Community Engagement		-	-	-	-	(1,250)	(1,250)	(2,500)
Environmental Forensic Science Center		-	-	-	-	(443)	(443)	(886)
Online Courses for SD Staff		-	-	-	-	(200)	(200)	(400)
Latino Center for Health		-	-	-	-	150	150	300
Computer Science/Engineering Enrollment		-	-	-	-	(300)	(300)	(600)
Computer/Engineering Tacoma		-	-	-	-	(300)	(300)	(600)
UW Trueblood		-	-	-	-	650	-	650
Total Funding		1,126,488	545,410	536,232	1,081,642	528,279	521,148	1,049,427

Tuition Policy

The current tuition policy (enacted by [ESSB 5954](#), 2015) has allowed resident undergraduate tuition increases of 2.2-3.3% each year. As it stands, the allowable increase for 2025-26 will be 3.3%. The Senate is proposing a temporary adjustment to the allowable tuition increase, enabling higher education institutions to increase their resident undergraduate tuition rate by up to five percentage points above the current tuition growth factor in the second year of the biennium (FY27) only ([SB 5785](#)). The Senate's budget assumes that institutions would implement the maximum allowable increase for resident students (assumed at 3% plus the additional one-time 5% in FY27), and that institutions would simultaneously increase non-resident tuition by the same amount in order to pay for compensation increases. The Senate would also decrease state funding equivalent to 3% of the 5% additional increase for resident and non-resident undergraduate students, effectively swapping state funding for a portion of assumed incremental tuition revenue. The University will not set tuition rates for the 2026-27 academic year until June 2026, so it is unknown to what extent any additional authority would be implemented beyond the current tuition growth factor, which is dependent on several factors including state budget outcomes, federal uncertainty, and potential impact on enrollment.

Part of the state's tuition policy requires an inflationary adjustment to tuition backfill amounts provided in previous budgets. The backfill adjustment in Governor Inslee's budget proposals would result in an additional \$824,000 in the 2025 supplemental budget, \$2 million in FY26 and \$3.2 million in FY27. The backfill adjustment in the Senate's budget proposal would result in an additional \$299,000 in the 2025 supplemental budget, \$1.48 million in FY26, and \$2.6 million in FY27, and amounts are based on a different methodology than the Governor's budget. In contrast, the House would authorize a \$299,000 adjustment in 2025 but then suspend the state-required adjustments in FY26 and FY27.

2025 Supplemental Budget (proposed changes to current fiscal year)

- **College in the High School Adjustment:** \$392,000 was added in FY25 as provided in [SSB 5048](#), 2023. Funding is intended to provide enrollment and registration in College in the High School courses at no cost for students in grades 9-12 at public high schools. The initial proposed budget for College in the High School was based on projections of the total number of courses administered by an institution. This adjustment is intended to align funding with the actual number of courses taught by the institution for the academic year immediately prior to the current fiscal year.

2025-27 Biennial Budget (proposed budget for upcoming biennium)

Targeted Reductions

- **Target Reduction:** The Senate's proposal includes a budget reduction of 1% to the University's existing appropriations, or \$9 million in the 2025-27 biennium. The House reduces existing appropriations by 2%, or \$20.6 million in the 2025-27 biennium. As explored below, these cuts will make incremental salary and benefits changes challenging, as they effectively reduce incremental funding provided for those items.

Compensation and Benefits

Compensation:

Salary increases for faculty and staff were the University's highest priority requests for the 2025-27 biennial budget. Compensation funding provided by the state only covers a portion of what is needed to provide salary increases for UW employees. These salary increases are paid for 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 are funded from other sources of revenue. Combined with proposed cuts to overall state funding and uncertainty with federal funding, the compensation and benefits changes in these budgets would be extraordinarily challenging to implement for the University.

- For represented staff, the Senate and House would approve all 2025-27 collective bargaining agreements (CBAs) submitted by the University, except for UAW 4121 which represents Academic Student Employees (ASE).
 - Approved CBAs resulted in \$5.2 million in funding over the 2025-27 biennium (42% state funded and 58% assumed tuition revenue for state-funded employees), a substantial decrease relative to the Governor's proposal which would have funded these agreements at 60% state funding.
 - The ASE contract did not require state approval or funding, but it does present significant costs to the University, \$19.5 million in the 2025-27 biennium and \$36.7 million in the 2027-29 biennium. This will result in increased strain on budgets for units that employ ASEs.

- For non-represented faculty and staff, the Senate and House assumed a salary increase of 3% in FY26 and 2% in FY27. The UW requested that the state fund 100% of the costs to implement these increases. However, the Senate and House would provide 42% of the total cost through state funding, a substantial decrease from the fund split in recent biennia and in Governor Inslee's budgets (60% state).
- **Temporary Salary Reduction:** Senate leaders proposed temporary 4.95% salary reductions and furloughs for most state employees through [SB 5792](#), which exempts higher education employees. However, the Senate budget would capture nearly \$2.2 million in savings in FY26 and assume that institutions would implement temporary salary reductions. It is unknown how the University would choose to implement this requirement.

Benefits:

The Senate's budget would update monthly employer contribution caps to \$1,317 per eligible employee in FY26 and \$1,365 in FY27. The current cap is set at \$1,170, so this corresponds to increases of \$147 and \$195, respectively. The House's budget would increase monthly employer contribution caps to \$1,347 in FY26 and \$1,348 in FY27, an increase of \$177 and \$178 over current caps. These benefit assumptions represent significant costs across all UW activities and are passed through to unit budgets via benefit load rates. While some incremental state funding would be provided for benefits changes (\$6.5-\$7.5 million over the biennium), the total cost to the UW is estimated to be \$79-\$81 million across all UW funds reflected in the state budget.

Maintenance Level Changes

The Senate and House budgets included funding for some UW budget requests at the maintenance level. The following requests were included at the maintenance level:

- **Ramp-Up Funding:** \$161,000 in FY26 and each year thereafter to continue planned funding ramp-ups of legislation passed during the state's 2023-25 biennial and 2024 supplemental budgets. These are important investments that were intended to ramp up into the 2025-27 biennium, including support for reproductive health access and the Allen Scholars program. Absent additional state appropriations, these activities would not expand as intended by previous legislatures.
- **College in the High School Adjustment:** \$784,000 was added to CHS funding in the 2025-27 biennium as a result of the changes made in the 2025 supplemental budget proposal. OFM and legislative staff will continue to adjust CHS funding annually, and adjustments will be carried forward in each fiscal year thereafter.
- **Funding fix for Senate Bill 6286:** The Governor and Senate would include funding for the UW Center for Health Workforce Studies to study workforce shortages in anesthesia care, but the Senate's proposal would do so at the Policy Level and on a one-time basis.

Of the UW budget requests at the maintenance level, the Senate and House proposals **did not include** a request to shift \$25.8 million per biennium of student building fees from the operating budget back to the capital budget for deferred maintenance, and cover maintenance and operations costs using state general funds. In addition, the proposal **did not include** funding for a request to transition legal support staff within the UW Attorney General's Office (AGO) division from being employees of the UW to employees of the AGO.

*Policy Level Changes***UW Budget Requests:**

The Senate and House budgets included funding at the policy level for compensation but would not fund any of the University's other policy level requests for tri-campus student support services, high-demand enrollments (artificial intelligence, computer science and nursing), or the Office of the Washington State Climatologist. We will continue to work with lawmakers regarding these priorities. The Senate and House budgets included one policy-level item that was a maintenance-level request:

- **Center for Behavioral Health and Learning (CBHL, formerly BHTF):** The Senate would provide \$40 million in the 2025-27 biennium to support the costs of delivering behavioral health care to patients in long-term civil commitment beds at the CBHL. In contrast, the House would provide only \$10 million in funding in FY26, far below the operating costs for this facility. The state partnered with UW Medicine and has committed to fund the operation of these beds.

Included in Senate Budget Proposal

- **Transportation Electrification:** \$21,000 in FY26 and \$3,000 in FY27 for the implementation of SB 5528, which would require the installation of electric vehicle supply equipment to be performed by electricians certified by the electric vehicle infrastructure

training program or an equivalent alternative. This funding would allow UW electricians to receive this training. Funding is ongoing.

- **Boiler Operator Certification:** \$34,000 in FY27 for the implementation of SB 5694. This bill creates a statewide certification program for boiler operators. Funding for this bill would enable UW's boiler operators to receive this training and certification. Funding is one-time.
- **Harry Bridges Center for Labor Studies:** \$150,000 in each FY26 and FY27 for the Harry Bridges Center for Labor Studies to work in collaboration with the state board for community and technical colleges. Funding is one-time.
- **Housing Mini Academy:** \$63,000 in FY26 for a housing mini-academy. Funding is one-time.
- **Nordic Nations Pilot:** \$200,000 in FY26 for the construction of a formal structure for lasting cooperation between Washington state and Nordic nongovernmental organizations and academic institutions. Funding is one-time.
- **Friday Harbor Laboratories:** \$100,000 in FY26 for the University of Washington Friday Harbor labs to help fund an ongoing project to restore a critically endangered species of starfish and help stabilize local marine ecosystems. Funding is one-time.
- **WA Population Data Repository:** \$300,000 in FY26 to continue establishing WashPop, a statewide integrated data repository for population and policy research on criminal justice and safety, economic prosperity and equity, and health and social wellbeing. Funding is one-time.
- **Thriving Communities:** The 2024 supplemental budget provided \$263,000 of Climate Commitment Account funding starting in FY25 for two grant writers to support tribal and overburdened communities in accessing state and federal funding opportunities. The Senate budget would reduce half of the funding, or \$263,000 over the biennium, to provide funding for only one grant writer position. Amounts are from CCA, so are not reflected in tables above.

Included in House Budget Proposal

- **Collective Bargaining/AI Use:** \$350,000 in each FY26 and FY27 for implementing House Bill 1622, which would allow for collective bargaining over some usages of AI in employment settings. This funding is ongoing.
- **Burke Museum:** \$80,000 in each FY26 and FY27 for the Burke Museum to make programs more accessible to local students. This is one-time funding.
- **Latino Center for Health:** \$150,000 in each FY26 and FY27 to support the Latino Center for Health. This is one-time funding.
- **UW Trueblood:** \$650,000 in FY26 for the continued implementation of E2SSB 5440, which provides timely competency evaluations for people suffering from behavioral health disorders. This is one-time funding.
- **Reductions in Proviso Allocations:** The House would reduce ongoing proviso funding for several items:
 - **Clean Energy Testbeds and Community Engagement:** \$6.5 million reduction in 2025-27 of funding originally provided in 2022.
 - **Enrollments in computer science and engineering** at UW Seattle and Tacoma: a cut of \$300,000 per campus in each fiscal year.
 - **Environmental Forensic Science Center:** a cut of \$433,000 in each fiscal year to existing funding.
 - **Online courses** offered at the UW Bothell campus for school district staff: a cut of \$200,000 in each fiscal year.

Other Notable Changes:

- **Transportation Budget:**

The House and Senate each released their proposed transportation budgets on March 24, as well as proposals to raise additional dedicated transportation revenue. Several proposals impacting UW will only be funded if additional revenue is available.

- **Burke-Gilman Trail Improvements:** The House budget accelerates funding for access, safety, and efficiency improvements to the Burke-Gilman Trail near the UW Seattle campus. \$9.4 million is provided for the 2025-27 biennium and \$6.6 million is provided for the 2027-29 biennium.

- **Sidewalk Inventory and Accessibility Mapping Project:** The House and Senate budgets reappropriate \$2.3 million for this project from the 2025 supplemental budget. The House budget shifts this amount to the 2025-27 budget. Meanwhile, the Senate budget provides a total of \$7.3 million for this project in the 2025-27 budget. The Senate amount is fully contingent on additional transportation revenue.
- **Engineering Pathways and Programs:** The Senate budget provides \$900,000 to the Washington State Transportation Center to continue the WSDOT-UW professional master's degree fellowship program, expand internships, and encourage more students to explore careers in transportation, engineering, and related fields. This funding is contingent on additional revenue.
- **Noise Reduction Study:** The House budget provides \$657,000 to the UW Department of Engineering via the Department of Transportation to study noise reduction measures for expansion joints on SR 520.
- **Mobility Innovation Center:** The Senate budget provides \$200,000 to conduct transportation-related research in partnership with the Department of Transportation, local transit agencies, and the private sector. The House budget provides a reduced amount of \$100,000.
- **Ferry Customer Advisory Process:** The Senate transportation budget provides \$75,000 for the UW Evans School via the Department of Transportation to conduct a study and develop recommendations to design a modernized and more inclusive ferry customer advisory process. Funding is not provided in the House budget.

Financial Aid

Table 4 outlines the financial aid provisions for the Washington Student Achievement Council (WSAC). Summaries of those items are included below.

Table 4: Financial Aid Funding in Senate, House, and Governor's Budget Proposals
(in \$1,000s)

	Governor Proposal	Senate Proposal	House Proposal
Washington College Grant Bridge Grants		(27,627)	(55,254)
Washington College Grant Eligibility MFI Adjustment	46,102	23,325	21,617
Washington College Grant Financial Aid Eligibility		(31,165)	
Washington College Grant Tuition Operating Fee		20,531	
Career and College Pathways Grants		(16,000)	
College Bound Scholarship MFI Adjustment	(11,059)	(7,820)	(7,447)
College Bound Scholarship Award Time Limit		(4,001)	
College Bound Scholarship Financial Aid Eligibility		(3,536)	
College Bound Scholarship Award Time Limit – Washington College Grant		(2,716)	
WAVE Scholarship	1,000		(2,416)
Career Launch Grants		(2,000)	(2,000)
College Bound Scholarship Tuition Operating Fee		1,933	
National Guard Grants			(1,600)
Undocumented Student Support		(792)	
Students Experiencing Homelessness		204	204
Apprenticeship and Higher Ed		(133)	(133)
Other	338		
Total Funding:	36,381	(49,797)	(47,029)

Senate and House Budgets:

- **Washington College Grant (WCG) Bridge Grants:** The Senate's proposal would eliminate funding for Bridge Grants, starting in FY 2027, corresponding to a \$27.6 million reduction. The House's proposal would eliminate funding for Bridge Grants immediately, corresponding to a \$55.3 million reduction.
- **Washington College Grant (WCG) MFI Adjustments:** \$23.3 million in the Senate proposal and \$21.6 million in the House proposal to the WCG over the biennium to fund the maximum WCG award to students with a family income up to 65% of the median.
- **College Bound Scholarship (CBS) MFI Adjustment:** In the Senate budget, \$7.8 million would be reduced to adjust for the 56-65% median family income award levels. The House budget would reduce this funding by \$7.5 million.
- **Career Launch Grants:** \$2 million in both budgets would be reduced by eliminating funding for Career Launch grants.
- **Students Experiencing Homelessness:** \$204,000 in both budgets for expanding participation in the Students Experiencing Homelessness and Foster Youth program to a public tribal college, as provided in SB 5304.
- **Apprenticeship and Higher Ed:** \$133,000 in both budgets would be reduced from the Ruckelshaus Center for providing apprenticeships and higher education study.

Senate Budget Only:

- **Washington College Grant (WCG) Financial Aid Eligibility:** \$31.2 million is reduced from WCG by implementing PSSB 5785, which would eliminate WCG awards for students whose family incomes are between 71% and 100% of the median.
- **Washington College Grant (WCG) Tuition Operating Fee:** \$20.5 million in state funding would be reduced from WCG and replaced with funding from an increase in resident undergraduate operating fees.
- **Career and College Pathways Grants:** \$16 million would be reduced by eliminating the Career and College Pathways Program.
- **College Bound Scholarship (CBS) Award Time Limit:** \$4 million would be reduced by implementing PSSB 5785, which would limit the usage of CBS awards to 6 years following receipt.
- **College Bound Scholarship (CBS) Financial Aid Eligibility:** \$3.5 million would be reduced by adjusting CBS funding levels to the WCG levels established by PSSB 5785.
- **College Bound Scholarship (CBS) Award Time Limit – Washington College Grant:** \$2.7 million would be reduced by adjusting WCG funding levels based on the 6-year usage time limit imposed on CBS awards.
- **College Bound Scholarship (CBS) Tuition Operating Fee:** \$1.9 million for offsetting the costs to CBS for increases to resident undergraduate tuition operating fees, as outlined in PSSB 5785.
- **Undocumented Student Support:** \$792,000 would be reduced by eliminating the ongoing state match for private donations and suspending funding for administrative costs in the 2025-27 biennium for the Undocumented Student Support Loan Program.

House Budget Only:

- **WAVE Scholarship:** \$2.4 million would be reduced by suspending the Washington Award for Vocational Excellence program in the 2025-27 biennium.
- **National Guard Grants:** \$1.6 million would be reduced by suspending funding for National Guard Grants in the 2025-27 biennium.

For information about the operating budget, contact [Jed Bradley](#) or [Lauren Hatchett](#). For more information about financial aid, please contact [Christine Leibbrand-Lapinsky](#).

CAPITAL BUDGET

The House and Senate released their 2025-27 proposed capital budgets on Monday, March 31. The [House budget](#) appropriates \$7.6 billion for state construction projects, grant and loan programs for local governments, and building and improving K-12 schools and facilities for higher education. Meanwhile, the [Senate budget](#) appropriates \$7.3 billion.

For the UW, the proposals provide funding to support several major University priorities. Most notably both budgets include **\$124 million** for a new Chemical Science building and renewal for Bagley Hall at UW Seattle to expand lab and teaching space. UW had originally requested \$125 million for this project, but this was reduced by OFM due to updated inflation data.

The House budget also includes **\$31.1 million** for an energy renewal project that is part of UW's [Clean Energy Transformation](#). \$17.35 million is funded with state bonds while the remaining \$13.75 is funded via the Climate Commitment Account. Though the proposal only supports a small portion of the University's \$292.6 million clean energy request, it builds on the \$38.9 million in funding received for related projects last session. The Senate proposal does not contain new funding for this effort.

The House budget does not provide an allocation for soil remediation at UW Tacoma, which is an ongoing need and has received consistent support in recent years. The Senate budget provides **\$2 million** for soil remediation, in line with previous allocations.

Additionally, the House proposal includes **\$111.4 million** from the UW Building Account for Asset Preservation, Infrastructure Renewal, and Major Infrastructure (Seismic Improvements) projects, while the Senate proposal includes **\$97.5 million**. From those amounts, both proposals provide **\$3.9 million** for UW Tacoma to permanently fix electrical infrastructure destroyed in a July 2024 car accident, though the proposals differ in the technical details of how that funding is allocated. We will work with legislative staff in the House to ensure that these proposals maintain the required fund balance in UW's Building Account in order to meet debt service obligations.

Finally, both budget proposals include **\$1.7 million** for soccer practice field upgrades in advance of the 2026 World Cup, appropriated directly to the UW. This is in addition to the \$2.58 million provided last session via the Department of Commerce.

Please see the table below for a comparison of the House and Senate capital budgets to UW's capital budget request. For more information about the capital budget, contact [Michael Lantz](#).

Table 5: 2025-27 Capital Budget Proposals (in \$1,000s)

Appropriations (Requested Projects)	Final 2025-27 UW Request				House Budget				Senate Budget			
	State Funds	UW Building Account	CCA	State Toxics Control Account	State Funds	UW Building Account	CCA	State Toxics Control Account	State Funds	UW Building Account	CCA	State Toxics Control Account
Chemical Science & Bagley Hall	125,000				124,000				124,000			
UW Tacoma Electrical Repair - Phase 3	3,900					3,900				3,900		
Asset Preservation (Minor Works & Major Preservation)		36,500				32,025				28,125		
Infrastructure Renewal		50,700				65,175				55,175		
Major Infrastructure (Seismic Improvements)		10,300				10,300				10,300		
UW Tacoma - Soil Remediation				2,000								2,000
FIFA World Cup Improvements					1,700				1,700			
Clean Energy Transformation Sub Projects:												
District Energy Standards/Basis of Design			1,900									
Micro District - South of Pacific			31,100		17,350		13,750					
Chiller Installation			13,500									
Micro District - West Campus			76,400									
Sewer Heat Recovery Site Piping			14,700									
WCUP Heating System Improvements			28,600									
Chilled Water Thermal Energy Storage			73,300									
West Receiving Station Electrical Infrastructure Upgrades			50,100									
Lake Interface Advancement			1,000									
Power Plant Boiler Removal			2,000									
Subtotal:	128,900	97,500	292,600	2,000	143,050	111,400	13,750		125,700	97,500		2,000