



WASHINGTON STATE UNIVERSITY

EXTERNAL AFFAIRS & GOVERNMENT RELATIONS

State Legislative Update

May 2025

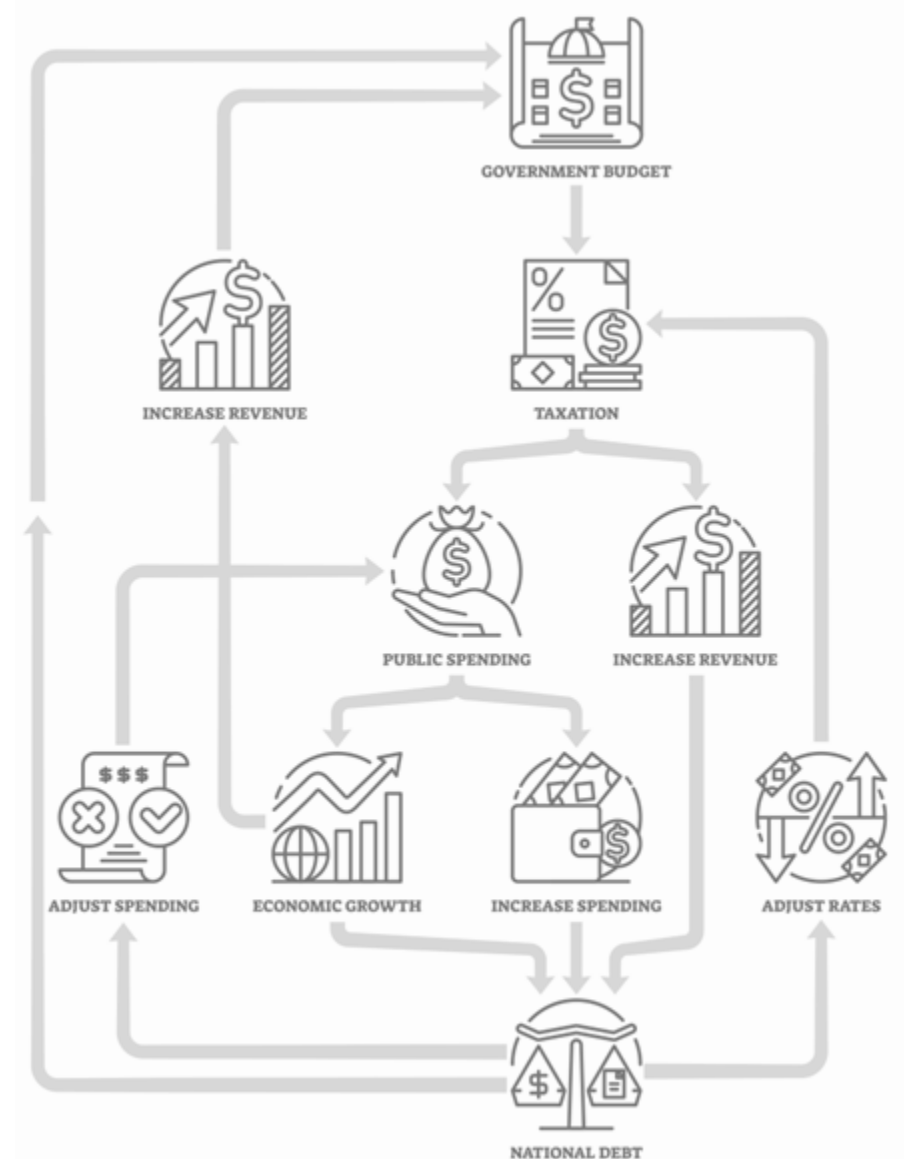
CONNOR HAGGERTY

Assistant Director of WSU State Relations



WSU FINANCIAL CONTEXT

- WSU already has cut \$69 million out of biennial budget in past three years
- Annual average COLA has been only 1.2 percent over the past 10 years
- Collective bargaining agreement with academic student employees is an obligation
- Legislators faced a multi-billion dollar shortfall in operating budget, the result of prior spending exceeding actual growth in state revenues





Legislative Session Outcomes

- 1.5 percent reduction in WSU's state appropriation totaling \$9.9 million
- Partial COLA funding for non-represented employees
- Temporary funding included for WSU Native Cougar Scholars program
- No funding for Academic Student Employee contract, ESFCOM accreditation, and selected cuts to turf grass research, Ruckelshaus Center, Murrow News Fellowship
- Washington College Grant kept almost entirely whole for public institutions



On the Horizon

- New budget relies on \$9 billion in new and expanded taxes over four years

Revenue Package (Dollars in Millions, As Passed by Legislature)		
	2025-27	2027-29
Business and Occupation Tax Expansion (HB 2081)	\$2.06b	\$3.5b
Tax Preference Elimination (SB 5794)	\$148.5m	\$236.7m
Capital Gains Excise Tax and Estate Tax Increase (SB 5813)	\$321.6m	\$313.9m
Expanded Retail and Excise Taxes (SB 5814)	\$1.15b	\$1.5b
State fund transfers (SB 5802)	\$609.4m	(\$1.2b)
TOTAL	\$4.2b	\$4.4b

Office of Program Research and Senate Committee Services (<https://fiscal.wa.gov/statebudgets/2025proposals/Documents/co/soConfResourceChangesReversions.pdf>)

- Confidence shaky in state economy and federal revenues
- Special session and/or difficult 2026 supplemental session may be in store



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Federal Update

May 2025

JACOB DOWD

*Director of
WSU Federal Relations*

PATTI STAUFFER

*Director of Health Sciences
Public Policy and Advocacy*



Washington State U.S. House of Representatives

Suzan DelBene (R, WA-1)

Rick Larsen (D, WA-2)

Marie Gluesenkamp-Perez (D, WA-3)

Dan Newhouse (D, WA-4)

Michael Baumgartner (R, WA-5)

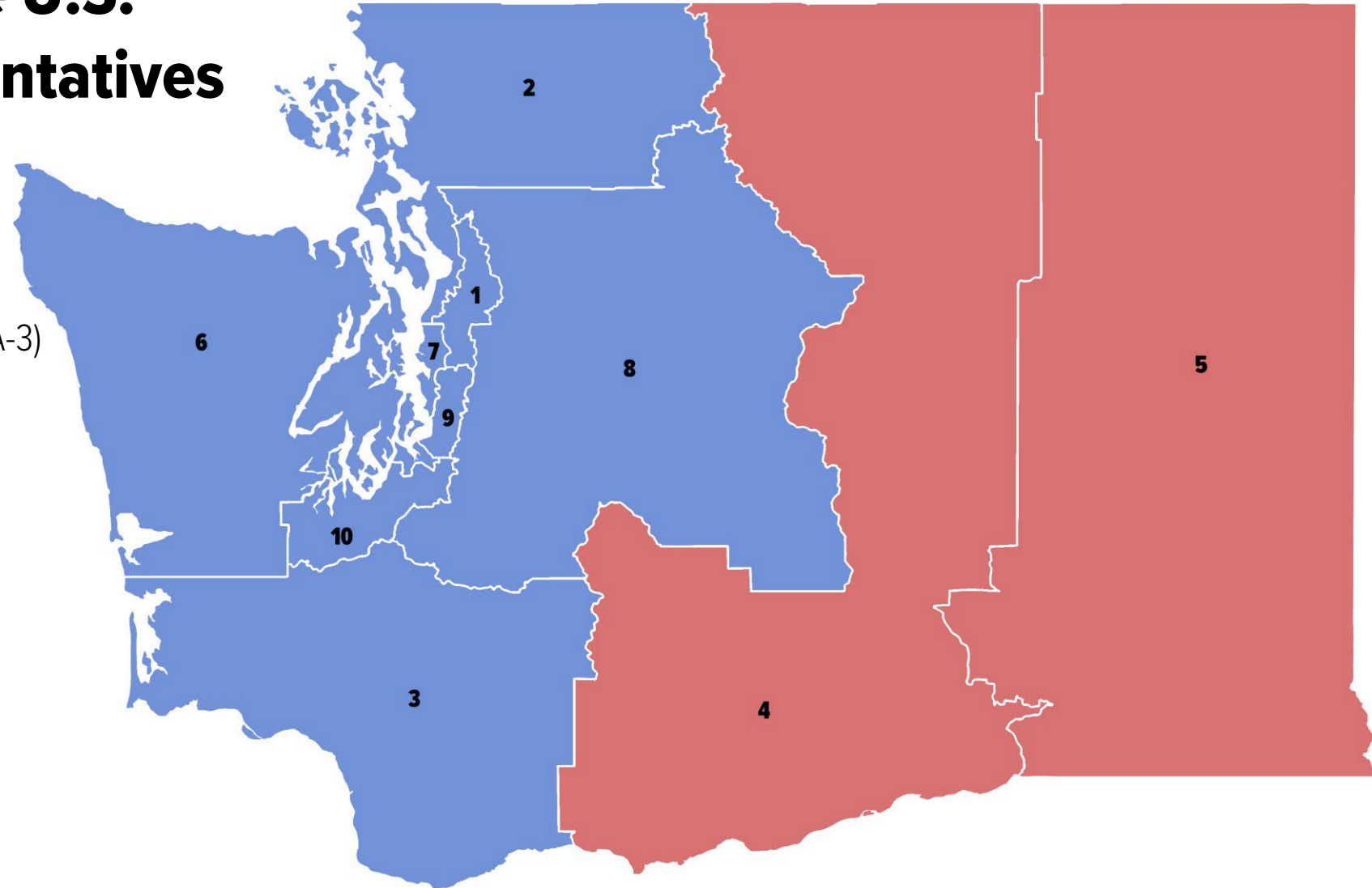
Emily Randall (D, WA-6)

Pramila Jayapal (D, WA-7)

Kim Schrier (D, WA-8)

Adam Smith (D, WA-9)

Marilyn Strickland (D, WA-10)





FEDERAL UPDATE – Congress

Impacts to Higher Education and WSU:

- House of Representatives passed Big Beautiful Bill, aka Reconciliation
 - Impacts to Higher Education and WSU
- Reconciliation Next Steps
 - What will the Senate do?

FY26 and the Budget

- Appropriation Committees Hearing Schedules
- President's "Skinny" Budget Request



FEDERAL UPDATE – Congress

WSU PRIORITIES:

Continued request for funding for WSU strategic priorities including:

- Aviation Biofuels
- Agriculture Research
- Precision Agriculture
- Resilient Livestock Initiative
- Herbicide Resistance
- Cyber Security
- Advanced Materials
- Reactive Materials supporting ISP/ARA partnership
- Nuclear Sciences, Hydrogen
- Grid Security
- Rural Health
- NIH and CDC Research
- Pell Grants
- TRIO Programs



Connections to WSU Clinical Service Delivery & Health Professional Education

- Medicaid: Federal Policy Pressures on State Budget, Healthcare Delivery System, WSU Reimbursement and Student Access
- Availability of Clinical Rotation Sites (hospitals, FQHCs, nursing homes & other)
- Recruitment & Retention of Clinical Faculty Preceptors
- FY26: Future Investments in Health Professional Education (e.g. HRSA, Medicare GME)



Collaborative Advocacy

- Association of American Medical Colleges (AAMC)
- American Association of Colleges of Nursing (AACN)
- National Rural Health Association (NRHA)
- WA State Public Health Association/WA State Hospital Association / WA State Nurses Association
- Participation in Congressional Forums/Roundtables



FEDERAL UPDATE - Administration

Executive Orders Continue

- **What is an executive order?** The president's executive power over the government includes the obligation to "take care that the laws be faithfully executed." An executive order is a written directive signed by the president that orders the government to take specific actions to ensure "the laws be faithfully executed."
- It might mean telling the Department of Education to implement a certain rule or declare a new policy priority. **Executive orders cannot override federal laws and statutes.**
- Examples range from making English the official language of the US to requiring OMB to submit a plan reducing federal workforce to rescinding all federal DEI programs.

Changes at Federal Agencies Impact WSU

- **USDA:** Expecting a significant restructuring
- **NSF, NIH & Dept. of Energy:** Still have temporary restraining orders in place regarding changes to the indirect costs rates
- **Federal employee departures & terminations impact**



WHAT ARE WE DOING?

- **Collecting Impacts on research and students**
- **Talking to delegation**
 - President's message is that our first priority is all of our actions should be taken to protect the students of WSU.
 - Constant conversations and engagement with Congressional offices, federal agencies, and our associations in state and in DC.
 - WSU is uniquely positioned not only to adapt — but to lead the way in defining what it means to be a land grant university in the 21st century — our priorities in DC and Olympia reflect this.

