

Olympia Update No. 12 • March 22, 2007
House Operating Budget Moves To Floor

Unified Agriculture Initiative grows in House budget

A new operating budget bill that boosts new funding for WSU agricultural research from the governor's level of \$3 million to \$9.5 million has sprouted from the full House Appropriations Committee.

The new House operating budget proposal (Proposed Substitute House Bill 1128) totals \$515 million in state funding for Washington State University, a 19.3 percent increase over the current biennial budget. As WSU had urged, the House budget is largely based on the governor's excellent budget proposal. However, the House proposes investing an additional \$10 million in WSU next biennium. The House boosts enrollment at WSU Tri-Cities and WSU Vancouver over that recommended by the governor, provides start-up for a new Electrical Engineering Program in Vancouver, and fully funds the WSU proposal to educate more doctors, dentists and nurses for the Inland Northwest.

The \$9.5 million House Appropriations funding level is the result of lobbying efforts by the dozens of agricultural groups that combined with WSU to write the industry-based request during the past year. If approved by the Legislature, it would be the largest new appropriation for state agricultural research in decades and will assure that most of the new research programs recommended by agriculture industry leaders would be funded. The governor provided delayed second-year funding in the biennium for competitive grant programs benefiting emerging agriculture research and organic farming. Her funding also bolstered funding for experiment stations.

But the House's decision to boost that number to \$9.5 million will now provide funding for more than 20 new faculty positions plus support staff that have not been funded in any previous legislative budget proposals.

Successful efforts for the Unified Agriculture Initiative in the House Appropriations Committee were led by House General Government-Appropriations Subcommittee Chair Kelli Linville, D-Bellingham, and House Caucus Chair Bill Grant, D-Walla Walla. Those WSU faculty positions sought by the agricultural organizations include an enology and viticulture program leader for the state's wine industry, a new cherry breeder, a new food technologist position to develop new products for wheat and other grains, a new tree fruit breeder that could produce apple varieties for the Northwest, six faculty positions for dairy,

beef, sheep and other livestock producers, a Mount Vernon-based hydrologist to work on water quality issues, a Puyallup-based urban and environmental horticulturalist, and two value-added agribusiness development positions.

The House budget provides many of the higher education programs and student slots recommended by the governor but charges less tuition. WSU students would pay a 5 percent increase next fall, a number recommended by the Appropriations-Education Subcommittee. That compares to the seven percent increase recommended by the governor. The House budget provides \$4 million to WSU to make up the difference between the tuition levels of the two budgets.

The House budget contains funding for every major WSU budget request except for Small Business Development Centers, a \$757,000 proposal that was fully-funded by the governor.

The House floor is expected to vote to approve this new operating budget soon. The capital construction bill passed out of the House Capital Budget Committee today without amendments and is also nearly ready for a floor vote.

The final piece in the budget puzzle for this session should unfold Tuesday, with the release of the Senate version of the operating and capital budgets. Then, it will be up to House-Senate negotiators to decide the final operating and capital budgets for the university subject to the governor's signature. The Legislature is in the 74th day of a scheduled 105-day session.

Unexpected Reductions. The House budget, in general, improves on the governor's proposed budget. However, it makes some unexpected reductions in funding to WSU. Linville and House Appropriations-Education Subcommittee Chair Kathy Haigh, D-Shelton, reportedly led efforts in closed committee caucus to restore the WSU reductions. However, they were not successful. WSU will continue to urge that the following reductions to its base budget are corrected in the Senate budget:

1. **Purchasing Cuts** The House Appropriations Committee budget does not fund the \$302,000 reimbursement for purchasing cuts made by previous Legislatures to WSU. The House Appropriations Committee budget provided the funding for other agencies and all other higher education institutions, but no funding for WSU. This was funded by the House Appropriations-Education Subcommittee and the governor.
2. **Maintenance and Operations for New Facilities** Maintenance and operating costs are unavoidable expenses of new buildings that are omitted from the House Appropriations Committee budget:

Life Sciences Building. The Governor's budget provides **\$821,000** for M&O for this project. This construction project is funded in the House Capital Budget. The building will open in Fall, 2008. This was funded by the House Appropriations-Education Subcommittee.

Vancouver Undergraduate Classroom Building. The Governor's budget provides **\$168,000** for M&O for this project. This construction project is funded in the House

Capital Budget. The building will open in Spring, 2009. The maintenance and operation money was funded by the House Appropriations-Education Subcommittee.

Mount Vernon Northwestern Washington Research and Extension Center. The total cost of M&O is **\$734,000**. The Governor's budget provides \$557,000 in maintenance and operations money that would be used for the new facility in Mount Vernon. This building recently opened.

Other highlights of the House Appropriations Committee Budget:

Increased Enrollment for WSU Vancouver, WSU Tri-Cities and high-demand fields. The House budget funds a total of 110 new freshmen in Tri-Cities and 400 new freshmen in Vancouver. The Governor's proposal funded 60 and 350 respectively. The House budget also provides \$1.1 million to start-up a new electrical engineering program at WSU Vancouver.

More Doctors & Nurses for Spokane and the Inland Northwest The proposed budgets of both the House and the Governor would invest more than \$15 million in health education at the WSU Spokane Riverpoint campus through WSU, the University of Washington, and Eastern Washington University. These programs will increase the supply of doctors, dentists and nurses for the state, especially for Eastern Washington. WSU's share of the funding, about \$9.5 million, is included in both the House and Governor budgets. It includes WSU partnerships in producing medical students, undergraduate nursing degrees, masters in nursing and a new PhD program in nursing. The House budget did underfund the University of Washington's share of the project by \$1 million. WSU publicly expressed concern about the decision during the House Appropriations Committee hearing on the budget this week.

Retention and Completion Programs The Governor and House budgets provide \$500,000 to expand mentoring and academic support services that have proven effective in helping at-risk students complete their college degrees.

Fueling Washington with Bio-products Both budgets provide \$4 million for WSU to work with the Pacific Northwest National Laboratories to investigate new products and commodities to be developed from processed agricultural waste. This item will fund five full-time research scientists who will have a joint appointment at WSU Tri-Cities and PNNL with funding for an additional five researchers to be matched by PNNL. WSU and WSDA jointly requested \$6.7 million for bio-products. Other bills in the Legislature may provide additional funding.

Research to Products Funding Both budgets provide \$500,000 each to UW and WSU to assist researchers in turning new discoveries into marketable products.

UW-WSU Policy Consensus Center Both budgets fund \$225,000 at WSU for the William D. Ruckelshaus Center to identify issues that have led to conflict around land use requirements and property rights, and explore practical and effective ways to resolve or reduce that conflict. Funding includes operating support for the Center.

Washington Academy of Sciences Both budgets provide funds to establish the Washington Academy of Sciences. Appointed by the presidents of the University of Washington and

Washington State University, this panel of recognized scientific leaders from industry, the universities, and government will render opinions or develop and carry out research related to the major issues facing the state. Funding is provided in the budgets for both research universities.

Retaining the Best: Salary Increases and Benefits Salary increases averaging 3.2% on September 1, 2007, and 2.0% on September 1, 2008, are provided for most WSU employees.

Olympia Update is produced for persons interested in state government developments affecting Washington State University. For more information, go to www.olympia.wsu.edu. Contacts: Larry Ganders, Assistant to the President, 360-956-2165. From WSU campuses, dial 8-2165. If you wish to subscribe to Olympia Update directly by email, send a completely blank message from your e-mail account (no signatures or footers please) to: subscribe-olympia_update@listserv.energy.wsu.edu