



OLYMPIA UPDATE

LARRY GANDERS, ASSISTANT TO THE PRESIDENT

Olympia Update No. 4 • February 29, 2008
Senate Capital & Operating Supplemental Budgets

Senate boosts “Stars,” Core Computing

WSU Supports Senate Supplemental Operating Budget over the House (House Bill 2687)

Additional funding for the “Stars” program and moneys to plan a replacement for WSU core computing systems highlights a proposed operating budget proposal that has passed the state Senate this week. Each house has now passed its own version of House Bill 2687 with differences for WSU. Legislators are now trying to fashion a compromise budget that will pass both houses within the next two weeks.

WSU Supports the House Supplemental Capital Budget over the Senate (House Bill 2765). Likewise, each house has passed different versions of the supplemental capital budget, HB 2765, with one key WSU issue hanging in the balance. The Senate capital budget version of the bill does not fund design of the proposed Veterinary Medical Research Building. The House version of the capital budget provided \$2 million to begin schematic drawings. So the fate of that building will be up to House-Senate negotiators working on a final compromise to HB 2765. House Capital Budget Chair Bill Fromhold, D-Vancouver, has been the key advocate for the WSU project.

While there is only one issue on the capital budget, there are many differences in the operating budget. Both House and Senate versions of HB 2687 are frugal with projections that the 2009 Legislative session next January may face serious fiscal shortfalls. The state operating budget for next biennium may be \$1 billion or more over-committed according to revenue forecasts.

Against that backdrop, the Senate has proposed a \$4.5 million increase to the WSU operating budget for this current 2007-2009 biennium. Adjusted for technical health rate reductions WSU’s total appropriation in the Senate bill is set at \$505 million. The House bill sets the funding at \$502.6 million. The House version provides only half of the Senate’s program dollar increase, similar to the amount proposed by Gov. Chris Gregoire.

The Senate operating budget is better than the House operating budget on at least two significant points.

1. **The Senate budget reverses the surprise cut to the state research universities made by the House.** The House budget sliced more than \$1.5 million from a program that is designed to recruit key “star researchers” for UW and WSU. The Senate budget leaves the funding intact and then adds \$265,000 to the appropriation. The Senate development comes as welcome news at WSU, which had used the “stars” funding to

extend an offer to Birgitt Kiar Ahrin, a world class Danish microbiologist, who will lead WSU efforts in bioproducts research. She will lead a research center with WSU scientists across the state. She will be based at a Bioproducts Science & Engineering Laboratory building at WSU Tri-Cities, a facility built in partnership with Pacific Northwest National Laboratories. Efforts are under way to encourage the House to concur with the Senate funding level.

2. The Senate fully funds \$1 million for planning of WSU core computer systems replacement. This is funding that is not provided in the House budget. The university has an urgent need to replace aging core computer systems for administration and student support. The core systems, the university's mainframe computers, are 30 years old and have a high potential for systems failure. The funding will lay the groundwork for a successful project to deploy modern, reliable, sustainable, and vendor-supported business systems. The new system will, for example, provide students access to a range of new and improved services for admission, course registration, financial aid, billing, library, health, safety, and employment.

Senate funds Community Technology Projects. The Senate operating budget also provided \$1 million for implementation of Senate Bill 6775, community technology. The program, similar to one funded by the Bill and Melinda Gates Foundation, provides grants to communities to address issues like technology training needs of low-income and underserved areas. The program will be administered by WSU Extension.

Other items funded by the Senate: The Senate budget also provides \$50,000 for a new Small Business Development Center at Renton Technical College. Small Business Development Centers in Washington are administered by WSU. A \$159,000 appropriation to implement a program to allow certain foreign nationals who work in high-demand occupations to qualify for in-state tuition was also provided by the Senate. The Senate provided \$200,000 for deaf education. None of these items were provided by the House.

Both operating budget versions provide funding for a land use study and nurse patient study by the UW-WSU Ruckelshaus Center (\$225,000 for WSU,) and mental health counselors at each campus (\$77,000 at WSU.)

An unexpected development is that there is no funding provided in either House or Senate operating budgets for campus safety. The developments at Virginia Tech last year led Gov. Christine Gregoire to suggest a safety package which included \$1.8 million in improvements at all WSU campuses. No such funding is included in House and Senate budgets.

It is rare when items that are not funded by either the Senate or House versions of the budget show up in the final negotiated budget that passes both house of the Legislature. However, in testimony before the Senate Ways and Means Committee, WSU urged legislators to consider funding for animal health issues in their final deliberations. WSU has indicated it will return next year with proposals to create a School of Global Animal Health next year if it can not be addressed in this budget.

Most bills at this stage in the process must have passed the original house to be alive under legislative rules. Today is the final day for those bills to pass out of the policy committee in the opposite house (For instance, House higher education bills must pass the Senate Higher Education Committee today.) Monday is the final day for bills with fiscal impact to pass the proper appropriations committee (such as Senate Ways & Means or House Appropriations.)

Among bills moving in this legislative session:

- **The United Auto Workers (UAW) have agreed to make changes to a proposed collective bargaining enabling legislation** for WSU graduate teaching assistants and research assistants. WSU President Elson Floyd testified in front of the Senate Labor, Commerce, Research and Development Committee this week that an agreement had been reached with the union on the legislation. The Senate committee is expected to make the changes to House Bill 2963. It will limit provisions of the bill that apply to teaching and research assistants. The bill must return to the House for the changes to be approved.
- **House Bill 2582, a proposal supported by the Associated Students of Washington State University** to provide matching state funds for child care has passed the state House of Representatives and is now in the Senate Rules Committee. Each house has provided some funding for the bill.
- **Engrossed House Bill 2641, which sets the framework for “performance contracts”** between institutions and the state has passed out of the Senate Higher Education Committee. WSU, which was not included in the original draft of the bill, is now included. The bill remains entangled in some issues around union representation and some student opposition to tuition being allowed to be included in the contracts.
- **Engrossed House Bill 3329, establishing a new process for prioritizing university capital project requests** has passed the House and is in the Senate Ways & Means Committee. Deliberations on the bill focus on whether there should be separate priority lists for branch campuses like Tri-Cities, Vancouver and Spokane versus the original campuses like Pullman.

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