



WASHINGTON STATE UNIVERSITY

EXTERNAL AFFAIRS & GOVERNMENT RELATIONS

Budget Update

Board of Regents Meeting

March 2025

GLYNDA BECKER FENTER

*Vice President, External Affairs &
Government Relations*



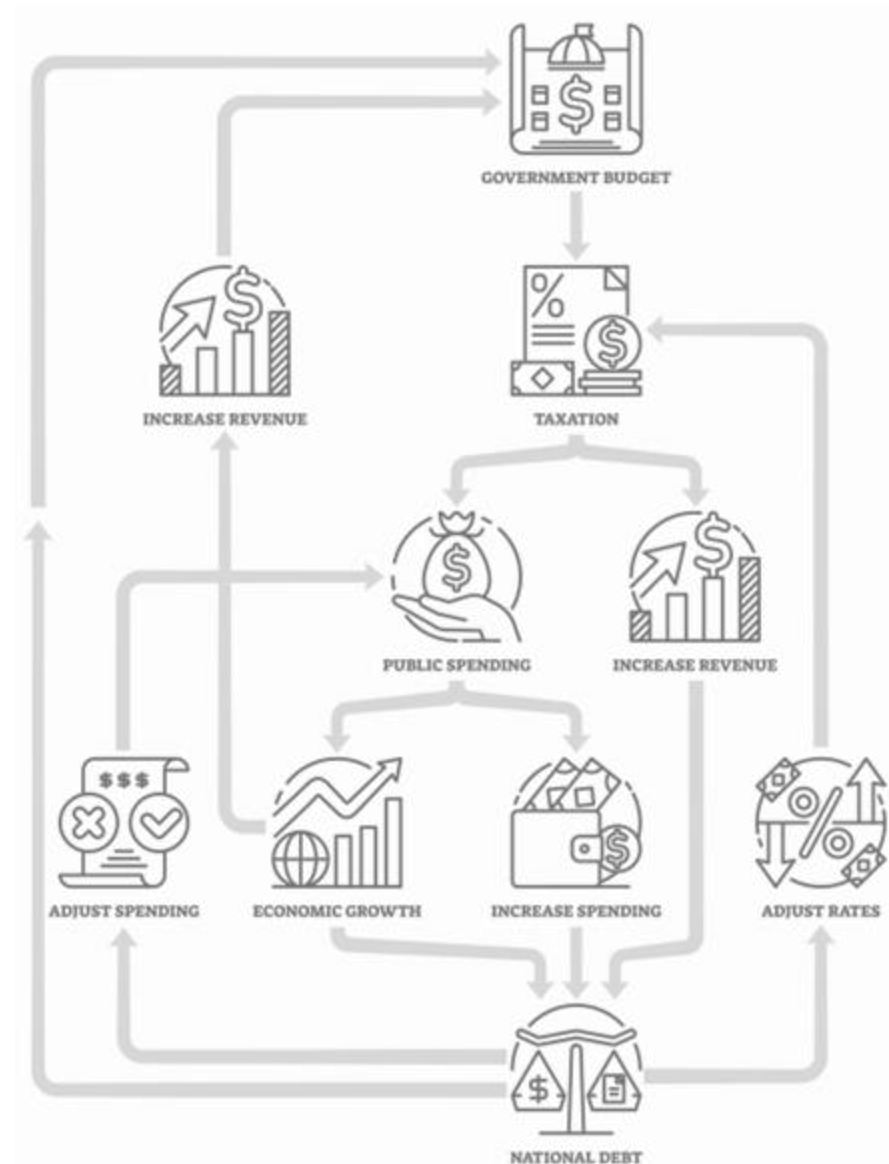
SIDE BY SIDE: GOVERNOR'S BUDGET

	WSU BUDGET REQUEST	GOV. INSLEE PROPOSED	GOV. FERGUSON PROPOSED
2025-27 Biennial Maintenance level	\$669.9	\$683.2	\$683.2
Academic Student Employees	\$10.5	-	-
College of Medicine Accreditation	\$3.6	-	-
Native American Scholarship	\$2.2	\$2.2	-
Retention and Compensation	\$27.5	\$20.4	\$20.4
WSU Collective Bargaining - Police	\$0.2	\$0.2	\$0.2
WSU Collective Bargaining - WFSE	\$0.4	\$0.2	\$0.2
WSU Collective Bargaining - IUOI	\$0.2	\$0.2	\$0.2
Other (includes target reductions and misc. srvcs)	-	(0.5)	(21.5)
Total 2025-27 Biennial Budget (State Appropriations)	\$714.5	\$705.8	\$682.6



OPERATING BUDGET UPDATE

- Deficit estimates range from \$6 billion to \$20 billion
 - Pay raises for state employees (including WSU)?
 - Previously authorized or highly desired expansions?
 - Several early learning programs?
 - K-12: special education, basic operations?
 - Working Families Tax Credit?





OPERATING BUDGET UPDATE

The solution? Everything is on the table:



Can expect a mix of spending cuts and new revenue



Inslee / Ferguson proposals recommend nonprescriptive cuts



Ferguson proposes furlough program – what does that mean?



May authorize tuition increases beyond state cap / College Grant rollback possible



Key Dates – Olympia

March 18	Revenue Forecast
Weeks of March 24th and March 31st	House and Senate release operating budget proposals
April 27	Target Sine Die
TBD	Will there be a special session?





Federal Update - Administration

Agency decisions impacting WSU

- Federal Employee Terminations: Some previously terminated employees are returning to their positions - particularly from USDA's Agricultural Research Service (ARS) and National Science Foundation (NSF)
 - Recently 120 senior scientists were reinstated with ARS
 - NSF employees who are veterans, military spouses, and persons with disabilities have been re-hired this week
- NIH Indirect Cost Rate capped at 15 percent



Federal Update - Administration

Executive Orders

- As of March 3, President Trump has signed 76 Executive Orders
- **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 the Office of Management and Budget (OMB) to submit a plan reducing the federal workforce to rescinding all federal DEI programs.



Federal Update - Administration

Dear Colleagues

- **What is a “Dear Colleague”?** Dear Colleague letters communicate guidance regarding the interpretation of federal laws and regulations that agencies are charged with enforcing. They are not legally enforceable, but they can provide helpful insight into how the current Administration views the law and intends to enforce it.
 - February 14 - The Department of Education issued a Dear Colleague Letter to educational institutions receiving federal funds notifying them that they must cease using race preferences and stereotypes as a factor in their admissions, hiring, promotion, scholarship, prizes, administrative support, sanctions, discipline, and other programs and activities or jeopardize federal funding
 - March 1 – Education released FAQ document providing clarity on process



Federal Update – Congress

FY 2025 Federal Funding

- Congress needs to pass the FY25 appropriations bills or a Continuing Resolution (CR) to avert a government shutdown by March 14
- Current thinking is Congress will pass a CR through September 30, 2025
- Earmarks and language supporting WSU projects requested would not be included in a CR

Budget Moving Forward

- Last week Congressional Republicans approved competing budget blueprints
- Congressional Republicans will face a lengthy and difficult path to balance competing demands from within their party and the administration



Key Dates – Washington, DC

TBD March	President's Budget Request
March 4	President's Address to Congress
March 14	Continuing Resolution (CR) funding federal government expires
April 15	Budget Resolution passed by Congress (date required by law)
April 30	End of first 100 days
May 1	Start of the across-the-board 1% spending cuts if FY25 appropriations bills not passed – "sequestration"
September 30	End of Fiscal Year 2025 / Farm Bill programs begin to expire
December 31	Expiration of key provisions of the 2017 Tax Bill / National Defense Authorization Act authorities expire

