



Washington State Senate

Bipartisan Operating Budget Plan Fact Sheet

2014 Budget Update

General Points

- For the first time in five years the state is deficit-free due to the responsible budget adopted last year.
- This year our top goals are to “do no harm,” prioritize education, live within our means, and stimulate job growth.

Senate’s guiding principles when crafting supplemental budget:

- Must be financially responsible -- maintain four-year balance
- Must prioritize education - Continue reversing 30-year trend favoring non-education spending.
- Support job creators -- no new taxes and preparing students to fill skilled jobs.

Prioritizing Education

- Almost 80% of additional spending goes toward education.
- Fully funds K-12 instructional technology costs
 - Applies toward McCleary
 - Frequent request from teachers and school staff on Sens. Hill and Hargrove’s December statewide survey about education investments.
- Higher education - invests in student opportunities
 - \$25 million for Opportunity Scholarship supporting low- and middle-income students studying high-demand fields (STEM)
 - \$12 million for College Bound Scholarship for low-income students
 - \$5 million for REAL Hope Act
 - Freezes tuition for 2014-15 school year -- in original budget schools had some leeway in 2014-15 school year.

Living within our means - fiscal discipline

- Budget remains projected to balance for four years
 - Added spending can quickly create problems compounding in the next budget cycle so any additions must be done responsibly and provide value.
- Maintains healthy reserves with ending fund balance and constitutionally protected rainy day fund.

Job creation: STEM

- Education investments focus on STEM (science, technology, engineering and math)
- Extends high-tech research and development tax incentive for 10 years, targeted at companies where it would make the biggest impact.
- \$25 million capital budget investment in STEM facilities.
- We must prepare students to fill quality jobs. By preparing them in school with 21st-century skills and ensure there are good jobs for them to fill.