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Acknowledgements

The Workforce Education Investment Accountability and Oversight Board (WEIAOB or “Board”) would like to thank all members and supporting staff for their efforts to advance the Board’s work in 2025. Current and outgoing members include:

Washington State Legislature

- Rep. Dave Paul; Co-chair, WEIAOB; Chair, House Postsecondary Education and Workforce Committee
- Sen. T’wina Nobles; Chair, Senate Higher Education and Workforce Development Committee
- Rep. Alex Ybarra; Ranking Member, House Postsecondary Education and Workforce Committee
- Sen. Judy Warnick; Ranking Member, Senate Higher Education and Workforce Development Committee

Business Representatives

- Jane Broom; Co-chair, WEIAOB; Senior Director, Microsoft Philanthropies
- Dr. Steven Ashby; Former Director, Pacific Northwest National Laboratory (outgoing)
- Ashraf (Ash) Awad; President and Chief Marketing Officer, McKinstry
- Barbara Hilit; Senior Advisor, Boston Consulting Group
- Charles Knutson; Senior Manager – Public Policy, Amazon

Labor Representatives

- Heather Kurtenbach; Executive Secretary, Washington State Building Construction and Trades Council
- William (Bill) Lyne; President, United Faculty of Washington State

Higher Education and Workforce Development Representatives

- Collin Bannister; Student, Washington State University-Pullman
- Ruben Flores; Executive Director, Council of Presidents
- Nate Humphrey; Executive Director, Washington State Board for Community and Technical Colleges
- Mollie Kuwahara; Student, Tacoma Community College
- Eleni Papadakis; Executive Director, Workforce Training and Education Coordinating Board
- Dr. Theresa (Terri) Standish-Kuon; President and CEO, Independent Colleges of Washington
- Jeff Vincent; Chair, Washington Student Achievement Council

Background Information

Both the Workforce Education Investment Account (WEIA) and Board were established in 2019 through [E2SHB 2158](#), which sought to “expand existing investments to help people earn the credentials essential to obtain family-wage jobs.” Revenue deposited into WEIA comes from:

- 14.3% of funds collected from the Service and Other Activities business and occupation (B&O) tax classification’s 1.75% tax rate—applied to businesses with taxable income of \$1 million or more (subject to the tax classification) in the prior calendar year.¹
- A surcharge applied to select advanced computing businesses—equal to the gross income of the business subject to the Service and Other Activities B&O tax classification, multiplied by the rate of 7.5% and capped at \$75 million annually (as of Jan. 1, 2026).²

The Board is staffed by the Washington Student Achievement Council (WSAC) and charged with the following responsibilities:

- Providing guidance and recommendations to the Legislature on what workforce education priorities should be funded with WEIA.
- Ensuring accountability that the workforce education investments funded with WEIA are producing the intended results and are effectively increasing student success and career readiness, such as by increasing retention, completion, and job placement rates.

As defined in [RCW 43.79.195](#), appropriations from WEIA may only be used for higher education programs, operations, and compensation; state-funded student aid programs, and workforce development including career-connected learning. The Legislature passed [SSB 6660](#) in 2020 to require that WEIA balance over a four-year period and end each biennium with a positive fund balance (similar to the General Fund-State (GF-S) and related funds).

E2SHB 2158 stated that appropriations from WEIA must be used to supplement, not supplant, other federal, state, and local funding for higher education. However, the enacted 2025-27 operating budget ([ESSB 5167](#)) removed this limitation during the 2025-27 biennium and stated the Legislature’s intent to remove it during the 2027-29 biennium as well.

The Board must submit an annual report to the Legislature detailing its recommendations for workforce education priorities that should be funded with WEIA. More information about Board governance and operations can be found in [RCW 28B.77.310](#).

All Board documents—including meeting materials, annual reports, and other publications about WEIA appropriations and expenditures—can be found at <https://wsac.wa.gov/WEIAOB>.

¹ <https://dor.wa.gov/taxes-rates/business-occupation-tax/workforce-education>

² <https://dor.wa.gov/taxes-rates/business-occupation-tax/workforce-education/select-advanced-computing-businesses>

Guiding Principles and Performance Accountability Metrics

The Board approved a series of guiding principles and performance accountability metrics in 2021 to help shape annual recommendations for workforce education priorities that should be funded with WEIA. These include:

Guiding Principles

- Help achieve the goal that 70 percent of students in each cohort of Washington high school graduates complete a postsecondary credential.
- Provide support for equitable educational access and economic outcomes for systemically underserved students.
- Help Washington businesses fill the jobs of the future with qualified Washington students, including the current workforce.
- Improve statewide systems and/or test innovative approaches that can be replicated across institutions.

Performance Accountability Metrics

- Statewide Student Enrollment.
- FAFSA / WASFA Completion in Grade 12 (and others).
- Washington College Grant-eligible Student Enrollment.
- Postsecondary Completion Rate.
- High School to Postsecondary Retention Rate.
- Time to Degree.
- Economic Outcomes.

2025 Accomplishments

The Board completed numerous tasks in 2025, including:

- Reviewing 55+ state agency decision packages and external proposals to help determine [recommended appropriations from WEIA](#) for the Legislature’s 2025-27 biennial operating budget.
- Convening a Governance Advisory Committee and approving the Board’s first set of [bylaws](#).
- Convening a 2026 Legislative Advisory Committee (LAC) to:
 - Develop a 2026 decision package and agency request legislation amending RCW 28B.77.310 (submitted by WSAC).
 - Review current and past appropriations from WEIA by the Legislature as well as expenditures by state agencies.
 - Refine strategies to engage the Legislature and Gov. Ferguson’s office during the 2026 legislative session.
 - Recommend appropriations from WEIA for the Legislature’s 2026 supplemental operating budget.
- Receiving performance and research updates from the Washington State Institute for Public Policy, Career Connect Washington, WSAC, and other relevant entities.

[2026 Legislative Advisory Committee](#)

In accordance with its new bylaws, the Board established a 2026 LAC during its summer meeting on July 17, 2025. The advisory committee will remain active through the end of the 2026 legislative session to respond to budget- and legislation-related changes to WEIA, as necessary.

2026 Supplemental Operating Budget Recommendations

The enacted 2025-27 operating budget supplanted other higher education funding with appropriations from WEIA for the first time, setting a concerning precedent for how WEIA may be utilized in the future. While the impact of this decision was most significant at UW—where \$400 million was shifted from GF-S to WEIA for general operations—all six public four-year institutions of higher education (IHEs) received a greater proportion of their total appropriations from WEIA (corresponding with a lower proportion of their total appropriations coming from GF-S).

Given these circumstances and significant cuts to total higher education funding during the 2025-27 biennium, the Board presents the following recommendations to the Legislature for consideration as a 2026 supplemental operating budget is developed:

- **Do not supplant additional higher education funding with appropriations from WEIA during the 2025-27 biennium.** This practice goes against the Legislature’s original intent for the account and limits Washington state’s capacity to invest in high-demand degree production, state financial aid programs, and other critical higher education needs.
- **Reinvest in financial aid and maintain existing investments in higher education.** WSAC, SBCTC, and public four-year IHEs have already been asked to weather hundreds of millions of dollars in funding cuts during the 2025-27 biennium. More reductions will further inhibit Washington state’s ability to reach 70% postsecondary attainment and build an educated workforce.
- **Protect and prioritize investments in equitable high-tech degree production and industry-aligned programs.** Appropriations from WEIA should be used to address critical access and equity gaps in sectors and occupations that require technical knowledge, skills, and credentials. The Board recommends protecting and prioritizing investments in programs that:
 - Increase outreach and recruitment efforts to communities with traditionally low rates of matriculation.
 - Increase the availability and accessibility of student retention, success, and support services.
 - Add capacity to current high-demand degree programs.
 - Add new programs in technical, high-demand fields and occupations.
- **Continue funding career connected learning programs via Career Connect Washington (CCW).** This recommendation is made pursuant to [Directive 24-03](#) from former Gov. Inslee, following CCW’s annual performance update to the Board on October 9, 2025.

Summary of Appropriations from WEIA: 2025-27 Biennium

The enacted 2025-27 biennial operating budget included \$1.58 billion in appropriations from WEIA, with \$1.55 billion (98.1%) invested in higher education agencies: WSAC, UW, WSU, EWU, TESC, WWU, and SBCTC. Due to budget language that allowed appropriations from WEIA to supplant other higher education funding during the 2025-27 biennium, the proportion of higher education funding from WEIA versus the General Fund-State (GF-S), Education Legacy Trust Account (ELTA), Washington Opportunity Pathways Account (WOPA), and other state accounts increased significantly compared to previous biennia. This shift is illustrated below:

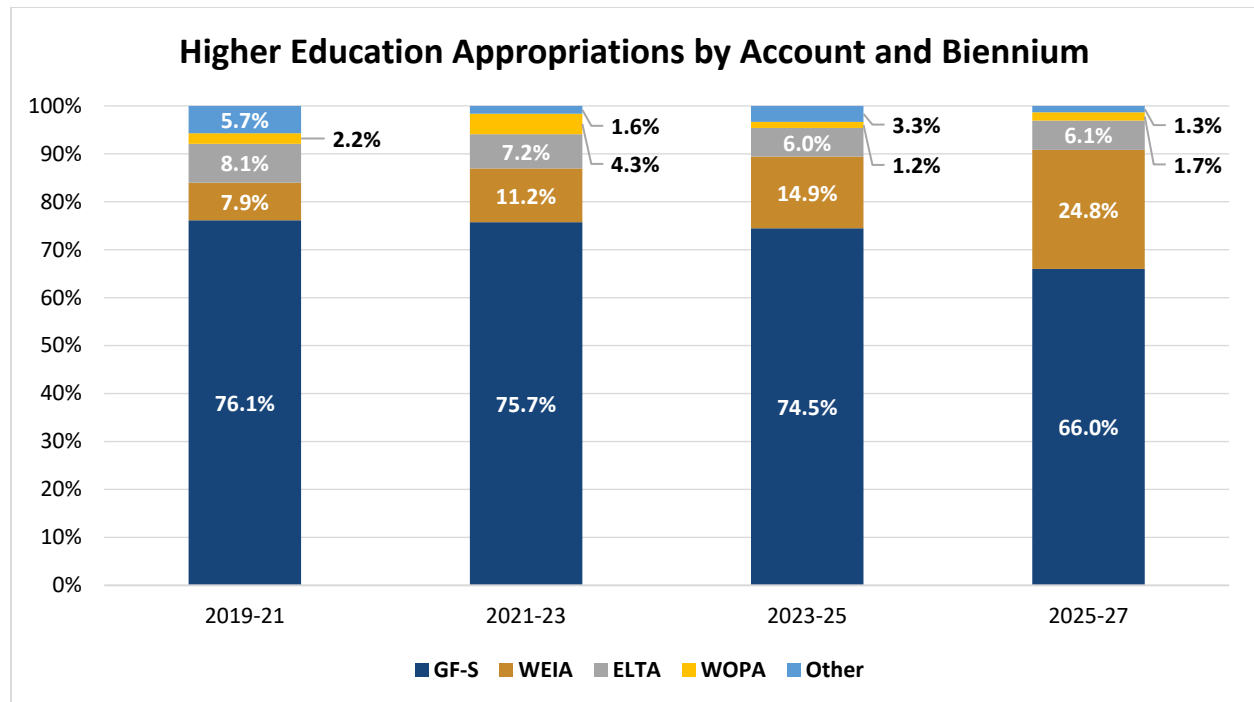


Table 1: Higher Education Appropriations by Account and Biennium (numbers in thousands)

Account	2023-25	% of Total	2025-27	% of Total
GF-S	\$4,703,847	74.5%	\$4,123,017	66.0%
WEIA	\$944,162	14.9%	\$1,552,078	24.8%
ELTA	\$378,384	6.0%	\$381,916	6.1%
WOPA	\$78,695	1.2%	\$107,193	1.7%
Other	\$211,308	3.3%	\$83,353	1.3%
Total	\$6,316,396		\$6,247,557	

Note: Complete data on higher education appropriations during the 2019-21 and 2021-23 biennia, for comparison, are available in Appendix B.

Appropriations from WEIA by Agency

More than 98% of appropriations from WEIA in the 2025-27 biennium went to higher education agencies, compared to roughly 90% in the 2023-25 biennium. This increase was driven by multiple factors, including the elimination of appropriations from WEIA for non-higher education agencies such as the Department of Labor & Industries (L&I) and Washington Office of Superintendent of Public Instruction (OSPI). As noted in the previous section, appropriations from WEIA also became further concentrated in higher education due to the supplanting of other higher education funding from various accounts, namely GF-S. A detailed breakdown of appropriations from WEIA by agency in the 2025-27 biennium is provided below:

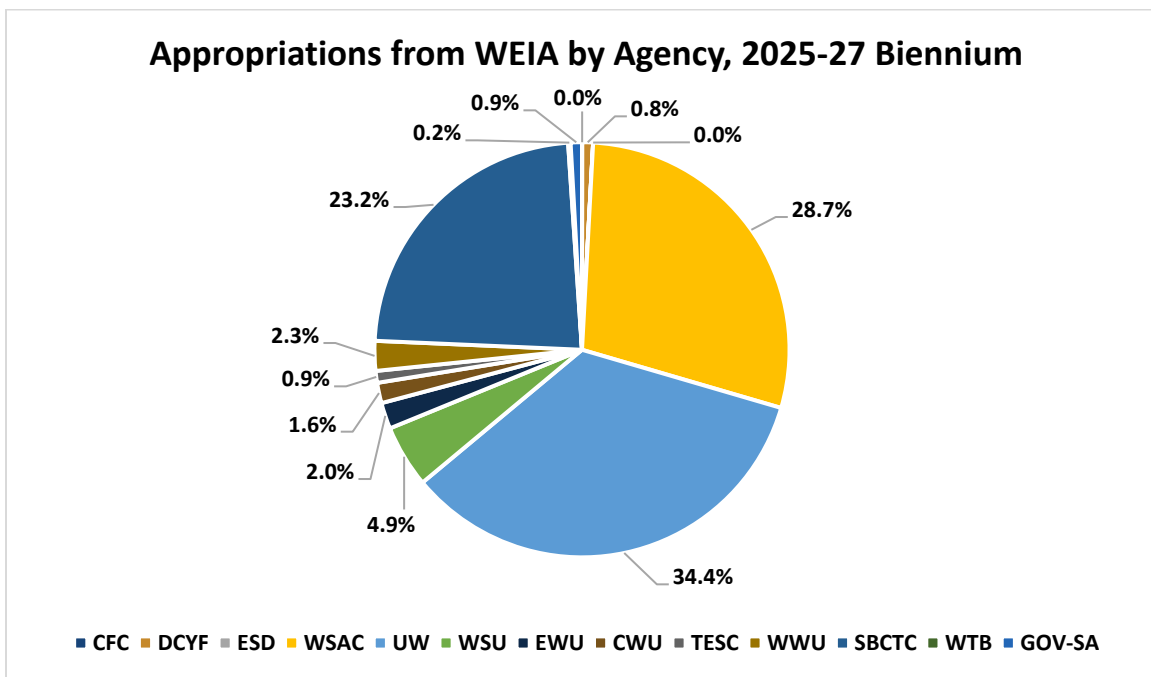


Table 2: Appropriations from WEIA by Agency, 2025-27 Biennium (numbers in thousands)

Functional Area / Agency	Amount	% of Total
Higher Education	\$1,552,078	98.1%
WSAC	\$453,678	28.7%
UW	\$544,805	34.4%
WSU	\$77,057	4.9%
EWU	\$32,328	2.0%
CWU	\$25,115	1.6%
TESC	\$14,588	0.9%
WWU	\$36,713	2.3%

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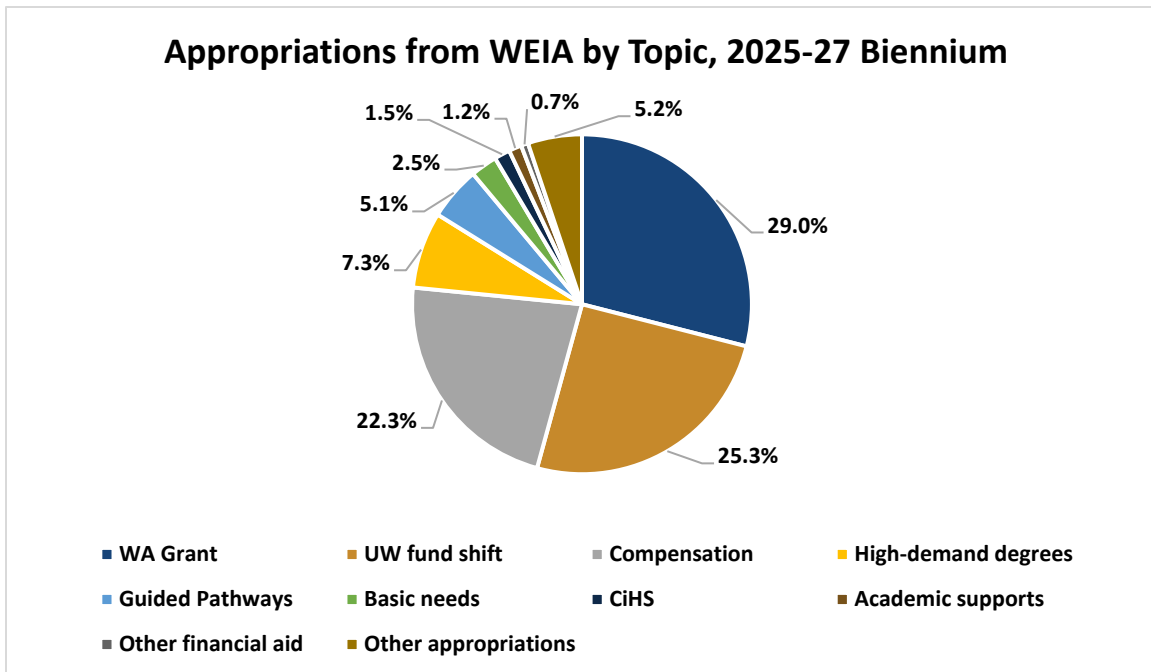
<i>SBCTC</i>	<i>\$367,794</i>	<i>23.2%</i>
Special Appropriations / <i>Office of the Governor (GOV-SA)</i>	\$13,871	0.9%
Other Human Services	\$13,192	0.8%
<i>Department of Children, Youth, and Families (DCYF)</i>	<i>\$13,166</i>	<i>0.8%</i>
<i>Employment Security Department (ESD)</i>	<i>\$26</i>	<i>0.0%</i>
Other Education / <i>Workforce Training and Education Coordinating Board (WTB)</i>	\$3,032	0.2%
Governmental Operations / <i>Caseload Forecast Council (CFC)</i>	\$367	0.0%
Total	\$1,582,540	100%

Note: Totals may not add up due to rounding.

Appropriations from WEIA by Topic

Using internal fiscal committee data, Board members and WSAC staff were able to conduct a comprehensive review of carryforward, maintenance, and policy level appropriations from WEIA for the first time to better understand how the Legislature is currently budgeting funds.

Of the enacted 2025-27 biennial operating budget’s \$1.58 billion in total appropriations from WEIA, \$852.5 million (53.9%) was considered carryforward level, \$240.5 million (15.2%) was considered maintenance level, and \$489.5 million (30.9%) was considered policy level. Notably, there was a significant increase in policy level appropriations from WEIA due to the supplanting of \$400 million for UW (originally coming from GF-S). A detailed breakdown of appropriations from WEIA by topic in the 2025-27 biennium is provided below:



More information on each category is provided below:

- **WA Grant:** \$458.7 million (29.0%) for Washington College Grant (WA Grant) awards at public and private institutions of higher education, trade schools, and apprenticeship programs.
- **UW fund shift:** \$400 million (25.3%) for general operations at UW. (This funding was previously appropriated from GF-S and is now coming from WEIA. More detailed information on the original uses of this funding was not available.)
- **Compensation.** \$353.1 million (22.3%) for compensation, benefits, and other central services costs, predominantly at institutions of higher education.

- **High-demand degrees.** \$115.1 million (7.3%) for the maintenance and growth of high-demand degree programs in academic fields such as computer science, engineering, mathematics, and nursing.
- **Guided Pathways.** \$80.2 million (5.1%) for Guided Pathways, an SBCTC initiative designed to improve student success, redesign academic programs, and expand academic advising and support services.
- **Basic needs.** \$40.1 million (2.5%) for improving student basic needs security, namely via programs that provide access to resources like housing, food, and childcare.
- **College in the High School (CiHS).** \$23.7 million (1.5%) for College in the High School to help high school students earn college credits.
- **Academic supports.** \$19.3 million (1.2%) for other academic support programs, including first-year student engagement, peer mentorship, and tutoring activities.
- **Other financial aid.** \$10.7 million (0.7%) for other state and institutional financial aid programs, including the College Bound Scholarship, WSU’s Native American Scholarship, and TESC’s Shelton Promise program.
- **Other appropriations.** \$81.5 million for other appropriations from WEIA. (This funding did not fit into the categories listed above.)

Table 3: Appropriations from WEIA by Topic, 2025-27 Biennium (numbers in thousands)

Topic	Amount	% of Total
WA Grant	\$458,742	29.0%
UW Fund Source Alignment (GF-S to WEIA)	\$400,000	25.3%
Compensation, benefits, and central services	\$353,148	22.3%
High-demand degree programs	\$115,092	7.3%
Guided Pathways	\$80,248	5.1%
Student basic needs security	\$40,136	2.5%
College in the High School	\$23,720	1.5%
Academic support programs	\$19,258	1.2%
Other state and institutional financial aid programs	\$10,675	0.7%
Other appropriations	\$81,521	5.2%
Total	\$1,582,540	100%

Note: Totals may not add up due to rounding.

Appendix A: 2026 Meeting Schedule

The following table outlines quarterly meeting dates and agenda topics for the Board through the end of the 2026 calendar year:

Meeting Date	Agenda Topics*
<p>January 8, 2026 1:00-3:00 p.m.</p>	<ul style="list-style-type: none"> • Review current WEIA expenditures and higher education funding • Review Gov. Ferguson’s 2026 supplemental operating budget proposal • Approve 2026 legislative recommendations
<p>April 23, 2026 1:00-3:00 p.m.</p>	<ul style="list-style-type: none"> • Review outcomes from 2026 legislative session—legislation and WEIA expenditures in 2026 supplemental operating budget • Review new research and reports on higher education and workforce development
<p>July 23, 2026 1:00-3:00 p.m.</p>	<ul style="list-style-type: none"> • Elect Co-chairs for 2026-27 • Establish 2027 Legislative Advisory Committee • Continue reviewing new research and reports on higher education and workforce development
<p>October 22, 2026 1:00-3:00 p.m.</p>	<ul style="list-style-type: none"> • Approve 2027 meeting schedule • Review progress of 2027 Legislative Advisory Committee • Review performance of Career Connect Washington • Review timeline for 2026 legislative report submission

**Note: Agenda topics are subject to change.*

Appendix B: Additional Data—Higher Education Appropriations, 2019-21 Biennium to Present

The tables below outline all higher education appropriations by account starting in the 2019-21 biennium (when WEIA was created):

Account	2019-21	% of Total	2021-23	% of Total
GF-S	\$3,547,708	76.1%	\$3,928,705	75.7%
WEIA	\$366,170	7.9%	\$581,586	11.2%
ELTA	\$377,728	8.1%	\$371,598	7.2%
WOPA	\$102,197	2.2%	\$221,033	4.3%
Other	\$265,632	5.7%	\$84,369	1.6%
Total	\$4,659,435		\$5,187,291	

Account	2023-25	% of Total	2025-27	% of Total
GF-S	\$4,703,847	74.5%	\$4,123,017	66.0%
WEIA	\$944,162	14.9%	\$1,552,078	24.8%
ELTA	\$378,384	6.0%	\$381,916	6.1%
WOPA	\$78,695	1.2%	\$107,193	1.7%
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