

STATE OF WASHINGTON
HIGHER EDUCATION COORDINATING BOARD
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April 2, 2009

Dear Honorable Members of the Legislature:

Clearly the fiscal climate in which you must develop the 2009-11 biennial budget is worse than any since the Great Depression. We understand there are no easy solutions. However, we must strongly protest the level of cuts proposed for higher education, which are both deep and disturbing.

Cuts of the magnitude proposed by the House and Senate would negatively impact the quality of education for Washington citizens for years to come. The immediate impact will be clear: thousands of students denied access to higher education; thousands of faculty and staff laid off; and the likely constriction or wholesale elimination of programs that are vital for our state's future.

More insidious is the longer-term impact these cuts promise: a long, steady bleed of talent and innovation from the economic and social vitality of the state.

It is still not too late to address critical funding issues that can help keep our state moving toward the near- and longer-term goals established in the 2008 Strategic Master Plan for Higher Education, which was approved by the Legislature just last year. Here are a few suggestions.

- Authorize the institutions to raise tuition somewhat higher than the 7 percent statutory lid, but make these tuition increases temporary. In other words, treat the increases as a two-year surcharge, not as policy. This approach recognizes the state's long-term commitment to affordability through moderate and predictable tuition levels while providing institutions needed revenue to help bridge the fiscal emergency.
- Maintain your commitment to fund state financial aid programs proportionately to increases in tuition. This is especially important for students whose family incomes place them at the margins of financial aid eligibility. Support for the State Need Grant, State Work Study program and other financial aid programs will help more students succeed.
- Maintain the GET program, which is one of the few state-sponsored financial aid programs designed to help the middle class afford college. GET is in a strong financial position, and even with temporary tuition surcharges will weather the storm of market declines in the last two quarters of 2008. Continuing the program will strengthen our state's commitment to increasing access and success and will result in more degree attainment for the middle class.

The 10-year Strategic Master Plan calls for raising the level of educational attainment among our state residents by increasing our investment in higher education over time to:

- ensure we have an adequate supply of highly skilled and educated workers;
- reduce our reliance on importing talent, a strategy that is not sustainable;
- replace aging baby boomers who will retire in the next decade;
- provide opportunity for our most rapidly growing group of K-12 students – those from under-represented racial and ethnic groups or from families with very low incomes; and
- prepare more than a million younger working adults to move up to higher-skill and higher-paying jobs.

The master plan also noted the many societal benefits that accrue from higher levels of education:

- less reliance on the social safety net;
- lower health care costs;
- less crime and incarceration;
- more volunteerism, voting and citizen involvement;
- higher personal and overall wages; and
- a stronger tax base.

As we emerge from the recession, demand for educated workers will be greater than ever and we'll be hard-pressed to meet the already significant (and growing) gap in key employment fields like engineering, science, technology, science education and the health professions. Our state's economy will recover much faster if we have a steady and increasing supply of skilled and educated workers when the recession ends.

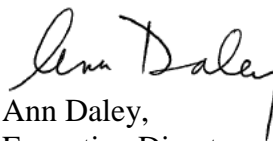
We recognize the serious nature of the current fiscal crisis. But in the long term, decisions made today *will* carry a price for the future. That is why we urge you to think carefully before acting and do everything in your power to moderate the effect of the proposed budget cuts.

Ultimately, we need to move beyond the cycle of boom and bust funding that undercuts our ability sustain a vital higher education enterprise and to achieve long-range, strategic goals. A stable, predictable funding structure based on moderate tuition increases, proportionate financial aid, and adequate state support is needed for the 21st century. Without such an approach, the state's higher education system may, indeed, die the death of a thousand cuts.

Sincerely,



Jesus Hernandez,
Chair



Ann Daley,
Executive Director

cc: Governor Chris Gregoire
Victor Moore, OFM
Charles Earl, SBCTC
Terry Teale, COP
Baccalaureate president
HECB members