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Statement to UW Board of Regents

*Speaking on behalf of the UW Chapter of the American Association of University Professors*

Last week, the Washington State Senate announced its 2015-17 budget, which includes $674 million in funding from the Near General Fund for UW. It also includes lowering tuition rates by basing them on a percentage of average income.

This is at first glance higher than both the House and the Governor’s budgeting for UW and Higher Ed in general, and the rollback on undergraduate tuition is laudable. Although no one ever mentions graduate tuition, which has skyrocketed while we focus on undergraduates. It’s worrisome that the Senate’s budget cuts financial aid by as much as $53 million and fails to fully fund already-committed state employee contracts, undermining the well-being of tens of thousands of UW students and workers.

Creating a formulaic relationship between income and tuition ignores the cost of running the institution. The state allocation to the UW, supplemented by tuition, should be driven by the amount of money we need to sustain the university.

Further, the Senate allocates $1000 to the UW to spend on raises for each FTE campus worker every two years. Even if that was a good idea, which it isn’t because it pits UW faculty and staff against students, it turns out that isn’t even legal. State collective bargaining laws establish that employee unions must negotiate their contracts with the governor's office, not the Legislature.

Perhaps even worse, the Senate budget includes no new revenue to fund any of this, is based on fund transfers and cuts to other vital areas of the budget, and even includes new tax exemptions such as a $72 million giveaway to Microsoft. It includes a lot of smoke and mirrors, but in the end will not generate the resources needed to fully fund education.

The Senate budget temporarily by transfers funds from important state activities to higher ed, but that won’t last.  That sort of budget-making seriously undermines the long-term position of higher education, because it pits us against K-12, social services, transportation, and other general fund priorities. Higher ed never fares well in those set ups.

Both Governor Inslee and the House accomplish similar goals with better, more sustainable budgets. The House raises up to $1.7 billion in new revenue via Business and Operation tax reform, Capital Gains taxes and closing unfair tax exemptions for the wealthy, not creating new ones.

But all three budgets mask a deeper problem, the drastic and disturbing abandonment by Washington State of its funding obligation for higher education in the wake of the Great Recession. From 2007-13, higher education funding suffered cuts of 26%. In 2011-13 alone, higher education funding was $1.3 billion below maintenance level. The current higher education budgets are all a significant increase over previous years, but still don’t make up for the losses sustained from 2007-13. Here at the UW, we received $402 million in state appropriations in FY 2009; in 2012-2013 that sum was only $209 million.

We implore the UW Regents to endorse the House budget over the Senate’s, and to act as advocates for fully funding education from birth to graduation by asking the state’s significant number of wealthy individuals to pay their fair share. They are perfectly able to contribute to the cost of the infrastructure that helps preserve their wealth. Corporations, too, can pay their fair share. Including the ones many of you work for.

But it’s not enough to advocate for more funding. We have to name sources of funding, such as capital gains, income taxes, or carbon taxes. Preferably all three. That is the only way to move this forward, by sharing the political cost of recommending specific new taxes.

Thank you.

COPHP testimony:

2-year MPH program, went private 4 years ago when the state abandoned higher ed

82 graduate degree programs are now with PCE

we are cross-subsidizing the state owned PhD and MPH degrees in our dept.

Growing the undergrad program to generate ABB profits

Look the parents in the eye at graduation

Average debt on graduation last year: $40K

*Details:*

$8500 tuition per student, generating 1.1 million

$427K for faculty salaries (less than 40% of the budget)

$129K to support department admin staff (12%)

$86K to PCE

$160K to UW

$50K to dean’s office

**$110K to department to cross-subsidize**