WESTERN WASHINGTON UNIVERSITY ITEM SUBMITTED TO THE BOARD OF TRUSTEES

- TO: Members of the Board of Trustees
- **FROM:** Becca Kenna-Schenk, Executive Director, Government Relations
- DATE: December 15, 2017
- SUBJECT: Legislative Update
- PURPOSE: Information Item

Purpose of Submittal:

A written report of Legislative Updates.

Supporting Information:

Report Attached

Federal Government Relations

Congress is currently considering substantial changes to the federal tax code, which could affect higher education institutions and students. The proposal that passed the House on November 16 calls for the elimination of tax deductions for interest paid on student loans and repeal of the Lifetime Learning Credit, which offsets 20 percent of the first \$10,000 of qualified education expenses. The proposal would also require graduate students to pay taxes on tuition waivers and would eliminate tax deductions for employer-provided education assistance. The Senate passed a separate proposal on December 2, which does not include any of these proposed changes. Republicans in Congress have announced intentions to pass a final tax reform plan by the end of the calendar year.

Congress has also announced plans to reauthorize the Higher Education Act (HEA) early in 2018 and the Senate and House are expected to release HEA proposals this month. Both chambers are expected to recommend simplifying the FASFA, and the House proposal will likely cap the amount that students can borrow and end a public service student loan-forgiveness program. Congress also faces a December 8 deadline to pass a federal spending plan for FY 2018 and to avert a federal government shutdown. Some Democrats are insisting that a path to citizenship for Deferred Action for Childhood Arrivals (DACA) recipients be included as part of a spending deal. President Trump ordered an end to the DACA program and it is scheduled to expire March 5 unless a new plan is approved.

State Government Relations

The sixty-day 2018 Supplemental Session is scheduled to begin on January 8 and end on March 8. The Legislature has not yet passed the 2017-19 Capital Budget. Plans are underway to bring the legislative measure up for a vote during the first weeks of the 2018 Session, but it is still unclear if there is sufficient legislative support to pass the budget bill, along with the capital bonds bill. In a typical supplemental session, the Legislature adopts supplemental operating and capital budget bills that make minor adjustments to the biennial budget bills passed in the previous session. The Legislature is expected to adopt both a 2018 Supplemental Operating and Capital budget during the short, sixty-day session.

Western's budget priorities for the 2018 session include:

- Adoption of the 2017-19 Capital Budget;
- \$1.2 million per year to increase capacity in STEM degree programs;
- \$1 million per year to establish a degree program in Marine, Coastal and Watershed Sciences;
- Maintenance and Operations funding for the Poulsbo SEA Discover Center; and
- Supplemental Capital Budget funding for minor capital construction improvements not addressed in the biennial capital budget.

The House Education Committee met on November 27 in Mount Vernon to learn more about regional partnerships related to teacher preparation. As part of the work session, Western faculty, students, and staff from WWU's Woodring College of Education presented on various programs related to teacher preparation, including several initiatives involving partnerships with the Mount Vernon School District and Skagit Valley College.