# **WOVE Legislative Update for Career and Technical Education**

2025 Legislative Session | March 20, 2025

**Contact Information:** 

Tim Knue, Executive Director, 360-202-5297, tim@wa-acte.org
Jesse Taylor, Coordinator of Strategic Advocacy, 253-208-9071, jesse@wa-acte.org
Washington Association for Career and Technical Education
PO Box 315, Olympia WA 98507-0315, 360-786-9286
WA-ACTE Website | Washington State Legislature Website

Washington State lawmakers have received the long-awaited state revenue estimates as they finalize budget proposals expected next week. The new forecast, released Tuesday, have worsened the state's financial outlook, which is already dealing with an operating budget shortfall estimated to reach up to \$15 billion over the next four years, depending on who you ask.

The updated forecast shows that state revenues for the period will be about \$900 million lower than the November projections. That is not to say that the revenue projection has declined, <u>but instead the projected growth has declined</u>. Be aware of that difference as we go through the budget forecast in more detail below. In the four-year outlook we still see revenue go from about \$71 billion to over \$76 billion.

For the remainder of the 2023-2025 budget cycle the forecast indicates a modest increase of \$54.4 million over the November estimates. However, when factoring this in, the total revenue is down by \$845 million through 2029 when we look at the total four-year outlook.

For the next fiscal biennium starting July 1, the forecast predicts a \$479 million decline, bringing the total below \$71 billion. The 2027-2029 biennium is also expected to see a \$420 million reduction, with revenue totalling \$76.4 billion.

"That makes it that much more difficult" Senate Budget Chair June Robinson, D-Everett, called the projected revenue decline "modest" and in line with expectations. She added that while it doesn't change the broader fiscal challenges we face, it reinforces the need for a balanced and sustainable approach as we finalize the 2025-2027 operating budget.

Rep. Ormsby (Chair of House appropriations) said the forecast would make their work harder, stating, "It just makes it that much more difficult for us."

Majority lawmakers in both chambers are now working to refine their operating budget proposals ahead of their release on Monday. Ormsby, who chairs the House Appropriations Committee, anticipates a lot of work still remains.

Senate Republicans' budget leader responded to the forecast by urging lawmakers to exercise caution, particularly due to the uncertainty of federal actions that could impact the state. Their caucus issued a statement as well through the office of Senator Chris Gildon stating "The smart approach is to avoid new and higher taxes, limit new spending to core priorities like K-12 and public safety, preserve social services, and protect the rainy-day fund".

Revenue from sales tax and business and occupation taxes is projected to drop by over \$450 million in the next two-year budget cycle, compared to the November forecast. Offsetting that are stronger returns from capital gains and estate taxes will somewhat offset this decline. The state's multibillion-dollar shortfall has been a concern for months, with troubling signs emerging last June when lagging capital gains receipts and reduced consumer spending led to a \$500 million drop in projections for the current budget cycle.

In response, Governor Ferguson has been searching for cuts in state agencies as reported in an earlier version of the *WOVE*. He has publicly identified \$7 billion in savings and has pledged to find more. His plan includes a one-day-per-month furlough for state workers, which has faced strong opposition from public sector labor unions. So far, the Governor has not voiced support for any tax increases, even as Democratic legislators have proposed new taxes on large companies and wealthy individuals.

<u>House Bill 1167</u> - Directing the statewide Career and Technical Education task force to consider expanding and strengthening certain educational opportunities for careers in maritime professions. This bill had a successful hearing on March 13 and was voted out of Committee during executive session on March 20 by a unanimous voice vote.

<u>Senate Bill 5358</u> - which includes 6<sup>th</sup> graders as part of the CTE enhancement funding, has cleared the necessary first half hurdles to stay alive as part of policy in the second half. This bill was voted out of the Ways & Means committee on Friday, February 28 along with a laundry list of other bills. On March 5 the Rules committee "pulled" this bill and assigned it to second reading and on March 6 the Senate passed it by a vote of 48-1. This bill has been referred to House Appropriations and the sponsor has requested a hearing with our support.

<u>Senate Bill 5192</u> - increasing funding school district materials, supplies, and operating costs was voted out of Senate Ways and Means on Thursday, February 27 with minority opposition. The bill will increase allocations for materials, supplies, and operating costs (MSOC) in the prototypical school model by 10% and provides that increased allocation amounts may only be expended on MSOC. The fiscal note on this is about \$300M for the biennium. This bill was placed on second reading by the Rules committee on March 5 and was voted off the Senate floor 47-2 on March 6 and had its first House hearing on March 19 in the Appropriations committee. This bill is still expected to get an executive session and voted out.

<u>House Bill 1273</u> - This bill extends a pilot program to increase (CTE) dual credit participation and credit attainment by covering certain expenses of students, colleges, and high schools, and adds additional pilot programs in other educational service districts. This is a \$2M fiscal, mainly to the community and technical college system, for implementation of the program. This bill passed the House floor on March 10 by a vote of 95-0 and had its first Senate hearing in Higher Education committee on March 20 and is scheduled to be voted out of committee by Executive session on March 24.

As we go throughout the session you can follow along the <u>daily schedule of the legislature</u> and see the <u>Senate Floor Calendar</u> and the <u>House Floor Calendar</u>.

#### **WOVE Bill Status & Upcoming Events Report**

#### **Upcoming Events**

## Higher Education & Workforce Development (Senate) - SHR 2 and Virtual J.A. Cherberg - 3/20 @ 1:30pm

• <u>2SHB 1273</u> - Public Hearing - Improving student access to dual credit programs. (Remote Testimony Available). (Concerns)

### Higher Education & Workforce Development (Senate) - SHR 2 and Virtual J.A. Cherberg - 3/24 @ 10:30am

• <u>2SHB 1273</u> - Exec Session - Improving student access to dual credit programs. (Concerns)

#### Appropriations (House) - HHR A and Virtual JLOB - 3/25 @ 4:00pm

• HB 1198 - Public Hearing - Making 2025-2027 fiscal biennium operating appropriations.

#### Ways & Means (Senate) - SHR 4 and Virtual JACB - 3/25 @ 4:00pm

• <u>SB 5167</u> - Public Hearing - Making 2025-2027 fiscal biennium operating appropriations. (Hearing is on the Proposed Substitute.)

### Appropriations (House) - HHR A and Virtual JLOB - 3/27 @ 4:00pm

• <u>HB 1198</u> - Exec Session - Making 2025-2027 fiscal biennium operating appropriations.

#### Ways & Means (Senate) - SHR 4 and Virtual JACB - 3/27 @ 4:00pm

• SB 5167 - Exec Session - Making 2025-2027 fiscal biennium operating appropriations.

#### Labor & Commerce (Senate) - SHR 1 and Virtual J.A. Cherberg - 3/28 @ 8:00am

• <u>SHB 1121</u> - Exec Session - Concerning restrictions on the working conditions and hours of sixteenand seventeen-year olds. (Support)

#### Support

Bill #	Abbrev. Title	Short Description	Status	Sponsor	Priority
SHB 1121	Work restrictions/age 16, 17	Concerning restrictions on the working conditions and hours of sixteen- and seventeen-year olds.	S Labor & Comm	McClintock	
<u>HB 1167</u>	Maritime careers task force	Directing the statewide career and technical education task force to consider educational opportunities for careers in maritime professions.	S EL/K-12	Shavers	
2SHB 1285	Financial education	Making financial education instruction a graduation requirement in public schools.	S EL/K-12	Rude	
ESSB 5192	School district materials	Concerning school district materials, supplies, and operating costs.	H Approps	Nobles	Medium
2SSB 5358 (HB 1280)	Career & tech. ed./6th grade	Concerning career and technical education in sixth grade.	H Approps	Braun	

#### Concerns

Bill #	Abbrev. Title	Short Description	Status	Sponsor	Priority
2SHB 1273	Dual credit program access	Improving student access to dual credit programs.	S Higher Ed & Wor	Paul	

#### **Other Bills**

Bill#	Abbrev. Title	Short Description	Status	Sponsor	Priority
HB 1198 (SB 5167)	Operating budget	Making 2025-2027 fiscal biennium operating appropriations.	H Approps	Ormsby	
HB 1216 (SB 5195)	Capital budget	Concerning the capital budget.	H Cap Budget	Tharinger	
ESHB 1414	CTE careers work group	Improving access to career opportunities for students.	S EL/K-12	Connors	
<u>HB 1556</u> (SB 5542)	HS completers/CTC tuition	Expanding tuition waivers for high school completers at community and technical colleges.	S Rules 2	Entenman	
ESSB 5009	Student transp. vehicles	Modifying the student transportation allocation to accommodate multiple vehicle types for transporting students.	H Approps	Braun	
<u>SB 5167</u> (HB 1198)	Operating budget	Making 2025-2027 fiscal biennium operating appropriations.	S Ways & Means	Robinson	
SB 5189	Competency- based education	Supporting the implementation of competency-based education.	H Exec Action	Wellman	
SB 5195 (HB 1216)	Capital budget	Concerning the capital budget.	S Ways & Means	Trudeau	
<u>SSB 5738</u> (HB 1988)	Retired employees/work	Permitting individuals retired from the public employees' retirement system, the teachers' retirement system, and the school employees' retirement system additional opportunities to work for up to 1,040 hours per year while in receipt of pension benefits.	H Approps	Wellman	

#### **2025 Session Cutoff Calendar**

April 2	Policy Committee Cutoff - Opposite House: Last day to read in committee reports from opposite house, except House fiscal committees and Senate Ways & Means and Transportation committees.
April 8	Fiscal Committee Cutoff - Opposite House: Last day to read in opposite house committee reports from House fiscal committees and Senate Ways & Means and Transportation committees.
April 16	<b>Opposite House Cutoff:</b> Last day to consider opposite house bills (5 p.m.) (except initiatives and alternatives to initiatives, matters necessary to implement budgets, matters that affect state revenue, amendments, differences, and business related to the interim or closing the session).
April 27	Sine Die: Last day allowed for regular session under the state constitution.



#### Federal Legislation:

- ACTE Advocacy Webpage
- CTE Policy Watch Blog
- Take Action
- ACTE Policy Agenda
- Advocacy Resources

WOVE...Representing the Career and Technical Education field through advocacy activities, which promotes the value of CTE and the policies that are needed to support CTE practitioners, advance the field, and improve student learning. To subscribe to the WOVE Legislative Update or to view past issues, please click here.