

Governor's 2011-13 Supplemental Budget Proposal

The budget proposal would suspend all funding to SWS for FY 2012-13, a reduction of \$7.8 million.

Impact of Proposed Suspension for 2012-13

- Approximately 3,500 low- and middle-income students will lose paychecks averaging an estimated \$3,000 per year—money graduate and undergraduate students use to help pay their college expenses.
- More students will incur higher levels of debt in order to offset lost wages.
- More students will drop out of college because they no longer can afford the cost.
- At a time when many businesses are struggling, nearly 2,000 Washington employers will need to address reduced productivity resulting from the loss of SWS employees.
- Taxpayers will lose an estimated \$3.1 million in employer matching funds in 2012-13—an amount equal to an estimated 40 percent return on the taxpayer investment.
- Communities will lose nearly \$11 million in economic activity generated by SWS employees.
- Policy makers will lose a key tool for achieving workforce development goals through the placement of SWS employees in targeted fields.
- Work-related financial assistance will be reduced to less than 1 percent of all resident financial assistance.
- Nearly 40 years of program development, structures, and functionality may be lost.

Policy Considerations

- 94 percent of SWS students report that SWS builds work skills that increase their future job marketability.
- Research consistently correlates student part-time work experiences to persistence and completion of college goals.
- SWS connects resident students with employers eager to shape and hire tomorrow's work force.
- Real world work opportunities, linked to students' academic or career pursuits, clarify degree goals and focus students on developing skills attractive to future employers.
- The SWS program supports Washington's future economic prosperity and the achievement of its higher education goals.
- SWS funding has already been reduced by 66 percent from 2009-11 to 2011-13.
- SWS students are motivated to work rather than borrow to offset rising college costs.