Budget deal reached with \$1B for education, no general tax hike

OLYMPIA — It took 151 days and two special sessions, but state lawmakers on Thursday finally reached a \$33.6 billion budget deal that averts a government shutdown that was set to begin Monday.

"The deal reached today makes it clear that state government will continue to operate," Gov. Inslee said. "All government functions will be in operations Monday, July 1."

The deal includes \$1 billion more for K-12 education, adds 350,000 people to Medicaid coverage and implements many reforms as to how the state does business. No general tax increases will be implemented.

Inslee did not take any questions following his announcement, but he did visit with House Democrats and discussed the budget's allocation of education funding, which is necessary to begin fulfilling last year's state Supreme Court mandate.

"We have a great down payment on our moral obligation for the paramount duty of the state of Washington," Inslee said.

But the governor also said the deal involved a great deal of compromise.

"Of course there are things that I didn't agree with in the budget," he said. "There's some things I would have done differently, but I think it embraces some Washington principles."

Republicans were happy with the hard-fought deal.

"I feel great," said Sen. Andy Hill, R-Redmond, the Senate's chief budget writer. "It's going to be a great budget."

Hill was pleased with the added money for K-12, as well as the fact that the budget holds the line on tuition increases at the state's colleges and universities. It is the first tuition freeze since 1986.

"In the last eight years, tuition has doubled," Hill said. "What that is, is a tax on the middle class, on the students and parents."

Rep. Ross Hunter, D-Medina, chairman of the House Budget Committee, attributed the long delay in reaching a deal to the makeup of the Legislature.

"It's always hard when you have split control," he said of the fact that Democrats control the House and Republicans control the Senate. "We think of the world in very different ways."

On the same day lawmakers reached a deal on the state's operating budget, there was vigorous debate about a separate transportation package, including a 10-cent increase in the gas tax.

The 10-cent increase passed the House, but faces stiff opposition in the Senate.