



Ryan Betz, 360-753-7627
ryanb@wsac.wa.gov

Betty Lochner, 360-753-7871
bettyl@wsac.wa.gov

Washington's GET Program Returns To Fully Funded Status

Students use GET to pay more than \$500 million in higher education expenses since 1999

SEPTEMBER 4, 2014, OLYMPIA – Today the State Actuary Matt Smith announced at the Washington Guaranteed Education Tuition (GET) committee meeting that the program's funded status, measured at June 30, 2014, is 106 percent and is expected to meet all of its financial obligations for current enrollees. The positive change in the program's funded status is due primarily to strong investment returns and the fact that tuition did not increase at the state's universities for the second straight year.

This is the first time since the beginning of the Great Recession in 2008 that the program's funded status has been at or above 100 percent. As reported in the State Actuary's most recent price-setting analysis report, the GET asset fund is now valued at \$2.93 billion, which is up \$371 million when compared to this same point in time last year.

"The financial health of the program has definitely improved over the past few years," Betty Lochner, GET Program Director said. "Last year, the program enhanced its solvency report card grade from a "B" to an "A" rating and this year the program has already surpassed its 2021 projected funded status seven years earlier than expected."

At the GET Committee meeting, members set the purchase price for the upcoming enrollment period at \$172 per unit, which is unchanged from the previous two years. The price has remained the same due largely in part to the fact that tuition held steady for the first time since 1986. "Having tuition continue to remain flat is a huge reprieve for Washington families who experienced double-digit tuition growth from 2009 to 2013," Lochner said.

The current payout value for the upcoming academic year is \$117.82 per unit. The payout value is based on in-state undergraduate resident tuition and state-mandated fees at the University of Washington Tacoma, which is currently Washington's highest-priced public university. "The difference in purchase price and payout value is what helps protect the health and vitality of the GET fund to assure that the dollars invested by program participants are available when their children are ready to attend college far into the future," Lochner said.

The State of Washington guarantees that one GET unit will be worth 1/100th of in-state resident undergraduate tuition and state-mandated fees at Washington's highest priced public university at the time of use. GET is a 529 college savings plan, which means it also offers tax-free growth and withdrawals when used for qualified higher education expenses.

According to Lochner, since 1999 the program has paid out more than a half billion dollars (\$564 million) on behalf of Washington students for higher education expenses. This past year the program distributed \$122 million on behalf of over 13,000 students attending colleges nationwide. Washington public universities and community colleges received more than \$45 million in GET funds during the 2013-14 academic year. Out-of-state and private institutions received more than \$32 million in GET payments. Parents and students were reimbursed close to \$45 million through their GET accounts for expenses incurred during this past academic year.

In-state institutions receiving the largest amount of support from students' GET accounts were the University of Washington, \$19 million; Washington State University, \$10.3 million; Western Washington University, \$8.2 million; Central Washington University, \$2.6 million; Eastern Washington University, \$1.4 million; and The Evergreen State College, \$917,982. In-state community and technical colleges received \$2.8 million in funds from GET accounts.

This past year the GET program added more than 5,500 new accounts and sold more than 741,000 units. The program now has 157,494 accounts under contract and more than 35,000 students have used their GET accounts to pay for college expenses in all 50 states and 15 foreign countries.

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