Students and society as a whole enjoy a range of benefits due to their educational investment in the colleges. A portion of these benefits accrues to state and local taxpayers in the form of higher tax receipts and a reduced demand for government-supported social services.

THE COLLEGES INCREASE TAX REVENUE

- Approximately 97% of the colleges’ students remain in Washington upon completing their educational goals. As students earn more, they pay higher taxes. Employers also pay higher taxes through their increased output and spending.
- Over the students’ working lives, state and local government in Washington will collect a present value of $1.8 billion in the form of higher tax receipts.

THE COLLEGES REDUCE GOVERNMENT COSTS

- The colleges’ students who achieve higher levels of education are statistically less likely to have poor health habits, commit crimes, or claim welfare or unemployment benefits.
- The improved lifestyles of students result in a reduced demand for government-supported services. Better health leads to reduced health care costs. Reduced crime leads to a reduced burden on the criminal justice system. Further, increased employability leads to fewer claims for welfare and unemployment benefits.
- As a result, taxpayers in the state of Washington will see a present value of $237 million in savings to government over the students’ working careers.

THE COLLEGES ARE A SOLID INVESTMENT FOR STATE AND LOCAL TAXPAYERS

- In FY 2014-15, state and local taxpayers in Washington paid $1.1 billion to support the operations of the colleges.
- For every $1 of public money spent on the colleges, taxpayers receive a cumulative return of $1.80 over the course of students’ working lives in the form of higher tax receipts and public sector savings.
- Taxpayers see an annual return of 5.4% on their investment in the colleges. This return compares favorably with the 1.1% discount rate used by the federal government to appraise long-term investments.