

HOUSE BILL REPORT

HB 2132

As Reported by House Committee On:
Postsecondary Education & Workforce

Title: An act relating to applications for state financial aid.

Brief Description: Concerning applications for state financial aid.

Sponsors: Representatives Leavitt, Ortiz-Self, Pollet, Stearns, Cortes, Parshley, Ryu, Kloba, Simmons, Peterson, Reed, Zahn, Nance, Scott, Reeves, Macri, Bergquist, Hill, Salahuddin and Timmons.

Brief History:

Committee Activity:

Postsecondary Education & Workforce: 1/14/26, 1/20/26 [DPS].

Brief Summary of Substitute Bill

- Limits disclosure and retention of personally identifying information related to the Washington Application for State Financial Aid.

HOUSE COMMITTEE ON POSTSECONDARY EDUCATION & WORKFORCE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Paul, Chair; Nance, Vice Chair; Entenman, Leavitt, Pollet, Reed, Salahuddin, Thomas and Timmons.

Minority Report: Do not pass. Signed by 5 members: Representatives McEntire, Assistant Ranking Minority Member; Graham, Ley, Rude and Schmidt.

Minority Report: Without recommendation. Signed by 3 members: Representatives Ybarra, Ranking Minority Member; Keaton and Mendoza.

Staff: Saranda Ross (786-7068).

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Background:

Financial Aid Applications. The Free Application for Federal Student Aid (FAFSA) is the federal form that current and prospective students fill out to determine their eligibility for federal and state financial aid for attending postsecondary education institutions. The Washington Application for State Financial Aid (WASFA) is an alternative form for students who cannot or choose not to file a FAFSA, but may still be eligible for state financial aid. The WASFA is administered by the Washington Student Achievement Council (WSAC). The WASFA can be used to apply for the Washington College Grant, the College Bound Scholarship, and other state or institutional financial aid but cannot be used to apply for federal financial aid such as the Pell Grant. The WSAC retains student data from the WASFA indefinitely.

Public Disclosure Exemption. The Public Records Act (PRA) requires state and local agencies to make all public records available for public inspection and copying unless a record falls within an exemption under the PRA or another statute that exempts or prohibits disclosure of specific information or records. Exemptions under the PRA are permissive, meaning that an agency, although not required to disclose, has the discretion to provide an exempt record. The exemptions under the PRA are inapplicable to the extent that information, the disclosure of which would violate personal privacy or vital governmental interests, can be redacted from the specific records sought. The PRA is liberally construed, and its exemptions are narrowly construed.

Keep Washington Working Act. In 2019, the Legislature passed the Keep Washington Working Act (KWWA), which in part prohibits state agencies from using "agency funds, facilities, property, equipment, or personnel to investigate, enforce, cooperate with, or assist in the investigation or enforcement of any federal registration or surveillance programs or any other laws, rules, or policies that target Washington residents solely on the basis of race, religion, immigration, or citizenship status, or national or ethnic origin." The WSAC also protects students' personally identifiable information as required by the Family Educational Rights and Privacy Act (FERPA). However, the United States Department of Homeland Security may seek access to information pursuant to a court order, subpoena, or warrant.

Summary of Substitute Bill:

Any personally identifying information or financial information related to the Washington Application for State Financial Aid (WASFA) is exempt from public inspection and copying under the Public Records Act. Absent a court order, state agencies are prohibited from providing such information to any other entity, including the federal government. However, the Washington Student Achievement Council (WSAC) may share this information with other entities for the purpose of supporting or facilitating student enrollment if there is a binding data-sharing agreement prohibiting the other entity from sharing such information with third parties.

The WSAC may not retain records of applicants related to WASFA applications, and related records including student numbers assigned by the WSAC, for longer than one year following the end of an institution's award year, absent an outstanding audit or appeal regarding the award of aid and unless otherwise required by law. The WSAC and institutions of higher education may not disclose or reproduce such information and related records to any other entity, including the federal government, absent a court order or unless required to comply with state or federal law, or in response to a lawfully issued court order.

Substitute Bill Compared to Original Bill:

The substitute bill expands the exception allowing the Washington Student Achievement Council to share personally identifying information or financial information related to an application for state financial aid to allow that sharing with any other entity, instead of only with institutions of higher education. The substitute bill also requires a binding data sharing agreement prohibiting said other entities from sharing the information with third parties.

Appropriation: None.

Fiscal Note: Available. New fiscal note requested on January 21, 2026.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Institutions of higher education retain student financial and personal information related to state financial aid applications well beyond the timeframe needed for financial aid application purposes. This bill establishes a retention period for that data to protect students pursuing higher education. The requirement to share personal and financial data is a significant barrier for immigrant communities, who fear sharing this information. This bill tells students that their privacy is paramount and that Washington is a safe place to pursue higher education.

(Opposed) None.

Persons Testifying: Representative Mari Leavitt, prime sponsor; Dennise Arteaga, Communities for Our Colleges; Angel Badillo, Communities for Our Colleges; Blanca Moreno, Communities for Our Colleges; Brandon Elliott, ASUW; Nathan Tippmann, Evergreen Geoduck Student Union; Jocelyn Granados; and Tayler Barber.

Persons Signed In To Testify But Not Testifying: None.