

HOUSE BILL REPORT

HB 2586

As Reported by House Committee On:
Postsecondary Education & Workforce

Title: An act relating to modifying funding for the passport to careers program, and permitting students eligible for the passport to careers program to automatically qualify as income-eligible for the purpose of receiving the Washington college grant.

Brief Description: Modifying funding for the passport to careers program and eligibility for the Washington college grant.

Sponsors: Representatives Timmons, Ybarra, Reed, Obras, Pollet and Salahuddin; by request of Student Achievement Council.

Brief History:

Committee Activity:

Postsecondary Education & Workforce: 1/27/26, 2/3/26 [DP].

Brief Summary of Bill

- Qualifies students eligible for the Passport to Careers Program as automatically income-eligible for the Washington College Grant.
- Aligns the Passport to Careers formula for determining financial need with the federal formula.
- Requires the Office of Student Financial Assistance to deposit all funds received for the Passport to Careers Program into the State Financial Aid Account.

HOUSE COMMITTEE ON POSTSECONDARY EDUCATION & WORKFORCE

Majority Report: Do pass. Signed by 17 members: Representatives Paul, Chair; Nance, Vice Chair; Ybarra, Ranking Minority Member; McEntire, Assistant Ranking Minority Member; Entenman, Graham, Keaton, Leavitt, Ley, Mendoza, Pollet, Reed, Rude,

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.

Salahuddin, Schmidt, Thomas and Timmons.

Staff: Saranda Ross (786-7068).

Background:

Passport to Careers Program. The Passport to Careers Program (Passport to Careers) was created in 2018 to encourage former foster youth and unaccompanied homeless youth to prepare for careers through scholarship assistance and other support services such as educational planning, information, and institutional support. Eligible students can access Passport to Careers through two pathways: the Passport to College Promise Program (Passport to College) and the Passport to Apprenticeship Opportunities Program (Passport to Apprenticeship). An individual is eligible for Passport to College for a maximum of five years or until age 26, whichever comes first. The total award an individual may receive must not exceed the resident undergraduate tuition and fees at the highest-priced public institution of higher education in the state. An individual is eligible for Passport to Apprenticeship for a maximum of six years or until age 26, whichever comes first.

Passport to Careers defines financial need as the difference between a student's cost of attendance and the student's total family contribution as determined by the method prescribed by the United States Department of Education. Since the 2024-25 award year, the student aid index has replaced the total family contribution in determining eligibility for federal student aid.

Washington College Grant. The Washington College Grant (WCG) is the state's largest financial aid program and provides grants to low-income students to pursue postsecondary education. The WCG is an entitlement program administered by the Washington Student Achievement Council (WSAC) with guaranteed grants for students who qualify. To qualify, a student must:

- demonstrate financial need;
- be a state resident; be enrolled at a Washington institution of higher education or be enrolled in an approved, registered apprenticeship program;
- file a financial aid application; and
- not already have a bachelor's degree or higher.

Students may demonstrate financial need by meeting income requirements or by the WSAC confirming the student's participation in one of the following state public assistance programs: Aged, Blind, or Disabled Assistance Benefits; Essential Needs and Housing Support; or Pregnant Women Assistance.

A student in grade 10, 11, or 12 may demonstrate financial need if the student's parent or legal guardian receives benefits under one of these public assistance programs and the student receives a certificate from the WSAC validating the student's WCG financial need eligibility. This certificate validates the student's WCG financial need eligibility for one

year after high school graduation upon enrollment in an institution of higher education, provided the student meets the other WCG eligibility requirements. The Department of Social and Health Services (DSHS) releases an annual list of individuals participating in the public assistance programs listed above so the WSAC can confirm student eligibility for the WCG. The WCG award amounts vary based on the institution the student attends and the student's financial need. Financial need is based on the state's median family income (MFI) and the student's family size.

State Accounts.

Generally.

In addition to the State General Fund, which may be expended for any lawful purpose, the state maintains several hundred accounts that are dedicated to particular statutory purposes. These accounts generally fall into one of three categories: (1) accounts located in the State Treasury, which always require appropriation by the Legislature; (2) accounts held in the custody of the State Treasurer, which may or may not require legislative appropriation; and (3) accounts located in state agencies and institutions of higher education, known as local accounts, which may require approval by the Office of Financial Management.

Accounts are generally created in policy bills for dedicating moneys in the account for the policy purposes of the bill. Accounts are also created in omnibus appropriation bills—budget bills—to dedicate funding for specific purposes and appropriations. Expenditures from dedicated accounts are limited to the purposes defined in law, and therefore, legislative action is required to temporarily or permanently expand or further restrict the purposes of a dedicated account. Expenditures from accounts that do not require legislative appropriation must be authorized by an official designated in the statute creating the account.

State Financial Aid Account.

The State Financial Aid Account is an account used to ensure that all appropriations designated for financial aid through statewide student financial aid programs are made available to eligible students. The Office of Student Financial Assistance (Office), within WSAC, must deposit into the account all moneys received for the WCG and several other listed state financial aid programs. Moneys in the account do not lapse at the close of the fiscal biennium for which they were appropriated

Office of Student Financial Assistance. The Office operates within the WSAC. The Office administers state and federal financial aid and other education service programs.

Summary of Bill:

Beginning in the 2026-27 academic year, students eligible for Passport to Careers are automatically income-eligible for the Washington College Grant.

The Passport to Careers formula for determining financial need is aligned with the federal formula by replacing total family contribution with total student aid index, redefining financial need as the difference between a student's cost of attendance and the student's total student aid index, as determined by the United States Department of Education.

The Office must deposit all money received for Passport to Careers into the State Financial Aid Account.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) Students in foster care or experiencing homelessness have some of the hardest roads to postsecondary success and have to work twice as hard to stay enrolled. This bill helps those students and tells them that the state cares about their wellbeing and success. The number of students impacted in this bill is very small, but this will have a big impact on those students. To increase educational attainment we must address barriers. This legislation would enable the state to promise financial aid to these students sooner. The Washington Student Achievement Council already has data agreements to streamline financial aid access for this population, so the costs to implement are low.

(Opposed) None.

Persons Testifying: Representative Joe Timmons, prime sponsor; Joel Anderson, Washington Student Achievement Council; MJ Dizon, Western Success Scholars; MJ Mencias, Associated Students of the University of Washington; Nandana Jaideep, Associated Students of the University of Washington; and Kaylee Dimeo.

Persons Signed In To Testify But Not Testifying: None.