

SENATE BILL REPORT

SB 5963

As of January 17, 2026

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: Senators Nobles, Saldaña, Chapman, Hasegawa, Shewmake, Valdez and Wilson, C.; by request of Student Achievement Council.

Brief History:

Committee Activity: Higher Education & Workforce Development: 1/19/26.

Brief Summary of Bill

- Directs the Office of Student Financial Assistance, within the Washington Student Achievement Council, to deposit all funds received for the Passport to Careers Program (PTC) into the State Financial Aid Account.
- Establishes that an individual eligible for the PTC qualifies as income-eligible under the Washington College Grant.
- Amends the definition of financial need in the PTC to reference the United States Department of Education's student aid index calculation instead of a calculation based on the student's total family contribution.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Staff: Matt Shepard-Koningsor (786-7627)

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: Washington College Grant. The State Need Grant was modified in 2019, and renamed the Washington College Grant (WCG). The WCG, administered by the Washington Student Achievement Council (WSAC), is the state's largest financial aid program and provides awards to low-income students to pursue postsecondary education. The WCG is an entitlement program with guaranteed awards for those students who qualify. WCG eligibility is determined by meeting specified requirements relating to demonstrating financial need, acceptance or enrollment in a qualifying program, residency, completing an application, and not having earned a baccalaureate or higher degree from a postsecondary institution. The award amount varies based on the institution the student attends and the student's family income. An eligible student may receive a WCG for six years or up to 150 percent of the published length of the student's program.

Passport to Careers Program. The Passport to Careers Program (PTC) is comprised of the Passport to College and Passport to Apprenticeship grant programs. These programs serve former foster youth and unaccompanied homeless youth. An individual is eligible for financial assistance for up to six years or up to 150 percent of the published length of the student's program, but the total amount of financial assistance received under both programs may not exceed an equivalent amount that would have been awarded for the individual to attend a public university for six years with the highest annual tuition and state-mandated fees. An individual may not receive assistance under the Passport to College and Passport to Apprenticeship programs concurrently.

In the PTC, financial need means 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.

State Accounts. *Generally.* In addition to the state general fund, which may be used for any lawful purpose, the state maintains several hundred accounts dedicated to particular statutory purposes. These accounts generally fall into one of the three following categories:

- accounts located in the state treasury, which require appropriation from the Legislature;
- accounts held in the custody of the state treasurer, which may or may not require appropriation from the Legislature; and
- accounts located in state agencies or 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, 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.

Summary of Bill: Beginning in the 2026-27 academic year, an individual eligible for PTC qualifies as income-eligible under the WCG. The definition of financial need in PTC is amended to mean 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 of Student Financial Assistance must deposit all moneys received for PTC into the State Financial Aid Account.

Appropriation: None.

Fiscal Note: Requested on January 9, 2026.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.