

SENATE BILL REPORT

SB 5275

As Reported by Senate Committee On:
Higher Education & Workforce Development, February 10, 2025

Title: An act relating to modifying funding and award levels 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 and award levels for the passport to careers program and eligibility for the Washington college grant. [**Revised for 1st Substitute:** Modifying the funding for the passport to careers program.]

Sponsors: Senators Nobles, Slatter, Hasegawa, Liias, Saldaña, Valdez and Wilson, C..

Brief History:

Committee Activity: Higher Education & Workforce Development: 1/23/25, 2/10/25 [DPS-WM].

Brief Summary of First Substitute Bill

- Requires the Office of Student Financial Assistance to deposit money received for the Passport to Careers Program into the State Financial Aid Account in the custody of the state treasurer.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 5275 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Nobles, Chair; Hansen, Vice Chair; Warnick, Ranking Member; Boehnke and Slatter.

Staff: Benjamin Omdal (786-7442)

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 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. The WCG 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. The Passport to Careers Program 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 a maximum of six years or up to 150 percent of the published length of the student's program.

The total award an individual may receive must not exceed the 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.

State Accounts. In addition to the state general fund, which may be expended 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 by the Legislature;
- accounts held in the custody of the state treasurer, which may or may not require legislative appropriation; and
- 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 the purpose of dedicating moneys in the account for the policy purposes of the bill. Accounts are also created in omnibus appropriation 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 which do not require legislative appropriation must be authorized by an official designated in the statute creating the account.

Summary of Bill (First Substitute): The Office of Student Financial Assistance must deposit money received for the Passport to Careers Program into the State Financial Aid Account in the custody of the state treasurer.

EFFECT OF CHANGES MADE BY HIGHER EDUCATION & WORKFORCE DEVELOPMENT COMMITTEE (First Substitute):

- Retains requirement that the Office of Student Financial Assistance must deposit

money received for the Passport to Careers Program into the State Financial Aid Account in the custody of the state treasurer.

- Removes all other provisions in the underlying bill.

Appropriation: The bill contains an appropriation from various accounts.

Fiscal Note: Available.

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

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

Staff Summary of Public Testimony on Original Bill: *The committee recommended a different version of the bill than what was heard.* PRO: Washington has made significant strides in providing access to higher education and career training. This bill increases funding to expand program funding and simplifying eligibility requirements to the Washington College Grant. This bill strengthens the program's ability to serve students thereby reducing barriers. The Passport to Careers program is a huge vital resources for the students that receive the award. The program provides direct support to many students, giving them a chance to succeed and graduate. The bill should go even further to protect this vulnerable group of students. The scholarship provides central support beyond tuition, including housing and supplies. The award does not meet all student needs, but helps student retention. The Passport program has given people hope that they can break the cycle of poverty, but the reduction in the award has made things more difficult for award recipients. The scholarship has been essential in helping students stay focused and navigating the college system, while also helping with housing stability and other areas. Making the program an entitlement will give these students support they can count on. The bill is an intentional opportunity to invest in the folks who support his work.

OTHER: The Passport scholarship does not solve every challenge these students face but plays a crucial role in their retention. Reductions in prior years had a significant negative impact.

Persons Testifying: PRO: Senator T'wina Nobles, Prime Sponsor; Maria Belen Sepulveda, n/a; Mykhail Lembke, University of Washington Graduate & Professional Student Senate; Isela Bonilla, Legislative Liaison ASWSU Vancouver; Trevor Spane, Passport to Change; Yokiko Hayashi-Saguil, College Success Foundation; Jacob Vigdor, UW Faculty/Council of Faculty; Olive Salas.

OTHER: cierra Draper-West, University of Washington Champions Program.

Persons Signed In To Testify But Not Testifying: No one.