

WASHINGTON STATE
OPPORTUNITY
SCHOLARSHIP

LEGISLATIVE REPORT 2025



A STEADY MODEL IN A TIME OF CHANGE

A LETTER FROM WSOS BOARD CHAIR BRAD SMITH

The Washington State Opportunity Scholarship (WSOS) is built on a simple but powerful premise: public and private sectors accomplish more together than apart. We bridge these worlds—working at the scale of government, with the speed of the private sector, and with the heart of a nonprofit mission.

Through partnerships with employers like Microsoft, Boeing, Kaiser Permanente, Avista, and many others, we're strengthening Washington's talent pipeline. Together, we open doors for students, create stability for families, and help employers hire for critical roles across our economy. And we do so with a commitment to accountability. Ensuring that every public and private dollar is an investment that delivers results for Washington.

Today, higher education in Washington and across the nation is navigating profound uncertainty. State and federal funding has contracted from K-12 to higher education and workforce development. Budget pressures are being exacerbated by the rise of artificial intelligence, rapidly reshaping the workforce.

These shifts remind us of a simple truth: Washington's future will be defined by the skills of its people. Our competitiveness depends on preparing Washingtonians for what comes next.

In this environment, WSOS continues to innovate and adapt. We are meeting students where they are—whether pursuing a bachelor's degree, a technical credential, or an apprenticeship—and focusing on the skills that will define success in an AI-enabled economy.

Impact and outcomes

Over the past year, WSOS has continued to expand its reach and deepen its impact:

- Over **5,500** current Scholars statewide
- Scholar representation across **every** legislative district and county in the state
- **12,505** graduates and counting

Behind each number is a person, a life with more choices, a career launched, and a community made stronger. Students count on WSOS. So can Washington.

This year, we welcomed a new Executive Director, Isabel Muñoz-Colón, whose leadership will help guide the organization through the evolving challenges and opportunities facing Washington's students. Under her direction, WSOS has launched a comprehensive strategic planning process that brings together voices from across the state, including scholars, state partners, industry leaders, and community-based organizations.

The insights emerging from this engagement, paired with rigorous data analysis and a clear-eyed assessment of our strengths and opportunities, will shape a five-year strategic plan designed to sustain and expand WSOS's impact in the years ahead.

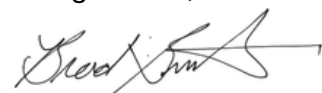
A shared commitment to Washington's future

In our state, earning a credential after high school isn't a partisan idea—it's a necessity. Not every great job requires a four-year degree, but nearly every job that supports a family requires training beyond high school. We owe every student—no matter who they are or where they live—a fair shot to gain those skills and build a career close to home.

That is why WSOS has earned the trust of three governors, multiple legislatures, and a growing network of public and private partners. We will continue to do what Washington does best: innovate responsibly, measure what works, and scale what delivers. WSOS is proof that when a bipartisan vision meets sustained partnership, opportunities expand for all.

Tomorrow's success depends on the investments we make today. Thank you for the trust to keep delivering results for students, families, employers, and the state we share.

With gratitude,

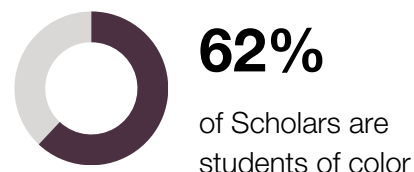
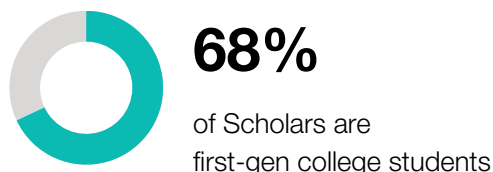
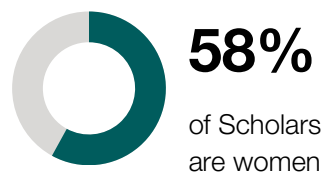


Brad Smith
Board Chair, WSOS
Vice Chair and President,
Microsoft Corporation

IMPACT OVERVIEW

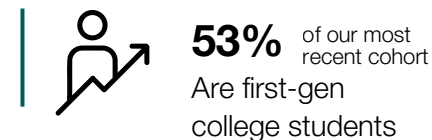
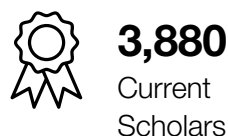
By the end of the 2025-26 academic year, WSOS will have disbursed more than **\$186 million** to Scholars across our scholarship programs.

Across all scholarship programs:

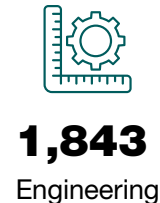


Baccalaureate Scholarship

The Baccalaureate Scholarship (BaS) provides up to a total of \$22,500 in scholarship funding to students pursuing bachelor's degrees in high-demand STEM and health care majors in Washington state.

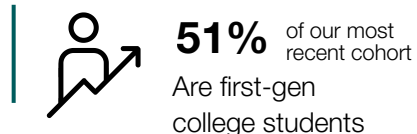
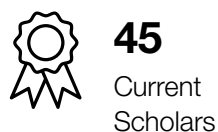


DEGREES EARNED PER INDUSTRY:



Graduate Scholarship

The Graduate Scholarship (GRD) provides up to \$25,000 over three years, supporting students pursuing a graduate degree in advanced practice nursing (MSN or DNP).



DEGREES EARNED

34
Doctor of Nursing Practice (DNP)
6
Master of Science in Nursing (MSN)

IMPACT OVERVIEW



Career & Technical Scholarship

The Career & Technical Scholarship (CTS) supports trade, STEM, and health care programs at 34 community and technical colleges across Washington state. CTS provides up to \$1,500 per quarter for the duration of a certificate, apprenticeship, or associate degree program.



1,592
Current Scholars

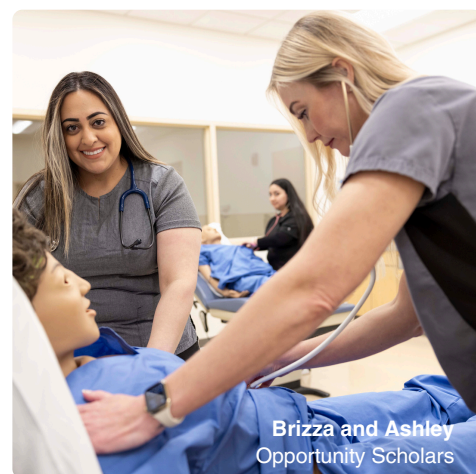
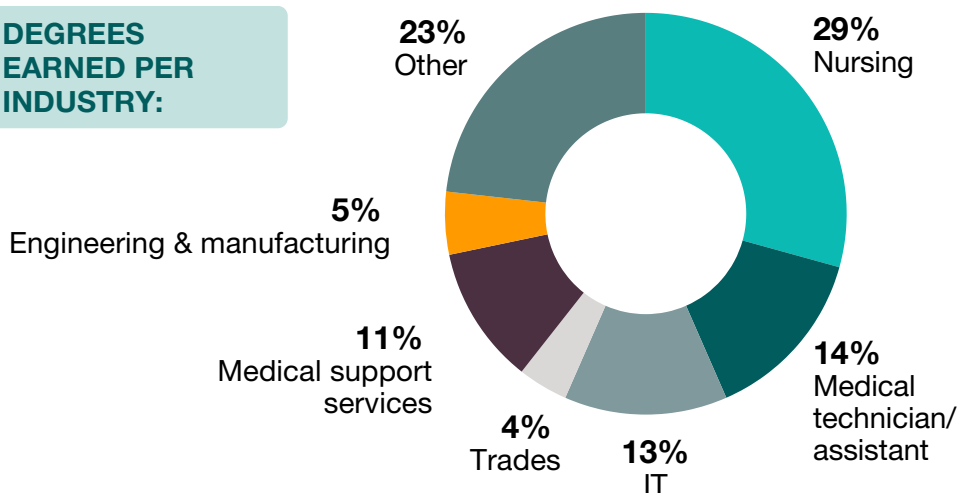


2,159
Graduates to date



75% of our most recent cohort
Are first-gen college students

DEGREES EARNED PER INDUSTRY:



Rural Jobs Initiative

The Rural Jobs Initiative (RJI) connects students who live in rural areas with the skills they need to access job opportunities where they live. This program ensures Washington residents who live farthest from the state's community and technical colleges can earn a credential that leads to a high-demand job in their community. Recipients receive up to \$3,500 in their first quarter, up to \$2,500 in their second quarter, and up to \$2,000 per quarter until they graduate.



131
Current Scholars



211
Graduates to date

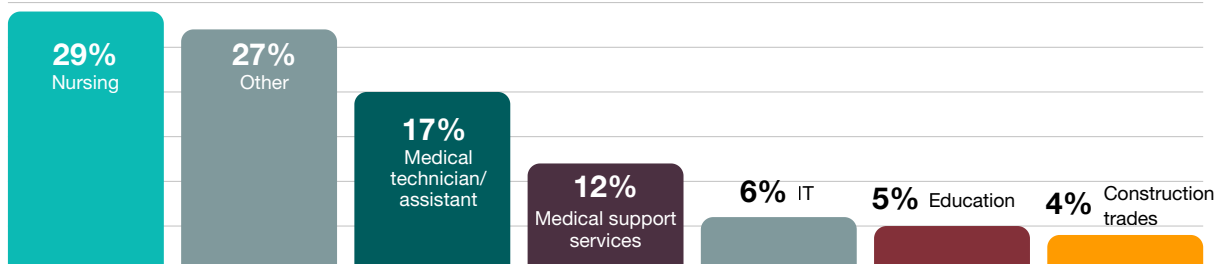


79% of our most recent cohort
Are first-gen college students



100%
WA rural regions represented

DEGREES EARNED PER INDUSTRY:



OUTCOMES & KEY FINDINGS

Paulina
Opportunity Scholar



The results in this executive summary were made possible through deep collaboration between WSOS and our state partners, especially ERDC. Together, we can see how the Opportunity Scholarship is opening doors for Washington students—and where we must do more to remove barriers and expand opportunity.

As we plan for the next chapter of WSOS's work, we share these insights to spark conversation, partnership, and collective action. We invite legislators, donors, employers, and education leaders to join us in learning from these outcomes and shaping the future of a stronger, more equitable talent pipeline for Washington.

As part of our partnership with state agencies, particularly ERDC, we were provided access to data that allows us to compare the BaS and CTS programs.

On the pages that follow are outcomes for the Baccalaureate (BaS) and Career & Technical Scholarship (CTS) programs. These programs were evaluated through two primary sources:

1. An **alumni survey** conducted in partnership with Kinetic West, and
2. Data from the **Office of Financial Management's Education Research and Data Center (ERDC)**.

For both programs, ERDC provides two comparison groups:

- **Comparison cohort:** Students with similar characteristics—such as income level and program of study—who earned a credential in an eligible WSOS field but did not receive WSOS funding.
- **Non-participant cohort:** Students who applied for WSOS, were eligible, but were not selected. This group allows us to compare outcomes among students who demonstrated equivalent initiative and interest in high-demand fields but did not receive WSOS support.

As required by RCW 28B.145, this analysis includes disaggregation by race, ethnicity, gender, geographic location, and median family income (MFI) when data allow. Together, these data enable WSOS to evaluate how BaS and CTS recipients compare to their peers across three core domains:



College
affordability



Credential
attainment



Labor market
outcomes

In addition to the ERDC data, WSOS worked with Kinetic West to conduct an alumni survey. The analysis includes a random sample of alumni to ensure a 95% confidence level and a +/-5% margin of error.

For now, WSOS has only invested resources into outcomes analysis for the BaS and CTS programs. We will continue pursuing data, resources, and partnerships to extend this analysis to the GRD and RJJ programs.

KEY BaS FINDINGS



College affordability

Affordability is foundational to persistence, credential attainment, and entry into the workforce. The following affordability findings compare BaS recipients with the comparison cohort of all bachelor’s degree earners in Washington who have similar income levels and programs of study.¹ The averages below reflect data from over the course of the student's baccalaureate education.

How much do Scholars still face (unmet need)?²

- **Average:** \$14,625 (34% lower than comparison students)
- **Highest unmet need:**
 - Latinx: \$17,684
 - White: \$15,134
 - Black: \$15,082
- **By income:** Low-income Scholars face **57%** higher unmet need than middle-income Scholars (but still 36% lower than low-income peers)

How much do Scholars borrow?

- **Average:** \$4,500 (72% less than non-participants)
- **By race/ethnicity:**
 - Highest: White (\$6,197)
 - Lowest: Asian (\$2,601)

How much do Scholars pay out-of-pocket?

- **Average:** \$34,983 (26% less than the comparison group)
- **By race/ethnicity:**
 - Highest: White (\$40,623)
 - Lowest: Black (\$25,991)

How do rural Scholars differ?

- **18%** higher unmet need
- **5%** higher out-of-pocket costs
- **25%** higher loan burden

Affordability takeaways

The BaS program substantially reduces financial barriers for Scholars, but affordability gaps remain across racial, income, and geographic groups. These patterns indicate areas where additional, targeted support may be needed. Because ERDC reports cumulative unmet need across the full degree program—while most national studies use annual unmet-need figures—further analysis is required to contextualize WSOS Scholars’ affordability relative to broader benchmarks.



Credential attainment (graduation outcomes)

Timely degree completion is important because it reduces costs, accelerates earnings, and increases the state’s return on investment. The following graduation outcomes compare BaS recipients from cohorts 2–7 (AY 2013–14 through 2018–19) with the ERDC-provided “non-participant” cohort of students, which includes eligible applicants who were not selected. All of these students entered college for the first time, having earned no prior credits.³

	FOUR-YEAR GRADUATION RATES	SIX-YEAR GRADUATION RATES	OVERALL BACHELOR'S COMPLETION (ANY TIMELINE)	GRADUATION IN A HIGH-DEMAND FIELD
SCHOLARS	46%	72%	75%	67%
NON-PARTICIPANTS	35%	56%	59%	52%

Graduation Takeaways

BaS recipients graduate at substantially higher rates than non-participants, including faster 4-year and 6-year completion and higher overall bachelor’s degree attainment, and higher than the national six-year graduation rate of 65%. Scholars are also significantly more likely to earn degrees in high-demand fields. At the same time, about one-third of Scholars do not graduate in a high-demand field, indicating an opportunity for deeper analysis into pathways and barriers.

Labor market outcomes show whether WSOS is achieving its statutory purpose to connect Washington residents to high-demand, family-wage careers. The following data is from our 2025 alumni survey.

LABOR MARKET OUTCOMES

- **83%** of BaS alumni report being employed
- **86%** of those employed are working in a STEM or health care field:
 - 52% in STEM
 - 34% in health care
- **68%** have earned or plan to earn an additional credential
 - One in five (20%) have already earned one.
 - Nearly all (roughly 90%) have, are or plan to pursue further education in a trade, STEM or health care field

EARNINGS BY DEMOGRAPHICS

Earnings gaps persist by

- **Race/ethnicity:**
 - Black: \$59,000
 - Latinx: \$66,000
 - White: \$84,000
- **First-generation status:**
 - First-generation Scholars = \$74,000
 - Non-first generation = \$88,000
- **Gender:**
 - Female Scholars: \$73,000
 - Male Scholars: \$97,000

The following data comes from the ERDC comparison of BaS participants compared to non-participants, or applicants who applied but were not selected. Note that BaS data provided by ERDC includes earnings at both nine months after graduation and five years. Data for CTS is only available, for now, nine-months after graduation.

EARNINGS DATA	9 MONTHS AFTER GRADUATION	FIVE YEARS AFTER GRADUATION*	WAGE GROWTH (5 YEARS)
SCHOLARS	\$77,397	\$113,059	+46%
NON-PARTICIPANTS	\$67,784	\$97,172	+43%

*As a comparison, the average early-career (defined as zero to five years of work experience), regardless of field of study, earns roughly \$67,000.⁴

Labor market takeaways

BaS recipients outperform their peers in the labor market, earning higher starting wages, experiencing faster wage growth, and achieving stronger longer-term earnings than both non-participants and the average bachelor’s degree earner in Washington.

Yet when earnings are broken down by race/ethnicity, gender, and first-generation status, familiar equity gaps emerge. Black and Latinx Scholars, women, and first-generation Scholars all earn significantly less than their peers—reflecting persistent disparities in the broader labor market, particularly in STEM and other high-demand fields

What this suggests:

- The BaS model is currently mirroring structural inequities, not disrupting them.
- Deeper analysis by major, institution type, and geography is needed to understand what drives these gaps—and where targeted interventions could strengthen equity and economic mobility.

The BaS model reduces upfront financial barriers, increases degree completion, and accelerates wage growth. Scholars also benefit from faster time-to-degree and early-career earnings gains.

KEY CTS FINDINGS



College affordability

The following metrics compare CTS recipients and the comparison cohort provided by ERDC. The peer group consists of students who enrolled at an SBCTC institution between 2020-2023 who enrolled full-time in an eligible CTS program and did not receive WSOS funding.

How much do Scholars pay out-of-pocket?

- **Average:** \$8,861 (35% less than comparison students)
- **By race/ethnicity:**
 - Asian: \$10,324
 - White: \$8,667
 - Black: \$8,491
 - Latinx: \$8,129
- **Rural:** \$7,119, which is 27% less than non-rural CTS recipients

How much do Scholars still face (unmet need)?

- **Average:** \$6,038 (36% lower than the comparison cohort)
- **By race/ethnicity:**
 - Latinx: \$6,428
 - Black: \$6,087
 - White: \$5,739
 - Asian: \$5,088
- **Rural:** \$4,898, which is 26% less than non-rural CTS recipients

COST TRENDS OVER TIME (2020–2023)

- Average out-of-pocket costs and average unmet need increased **76%** and **71%**, respectively, between 2022 and 2023, for CTS recipients
 - The comparison cohort also saw costs increase, but by less (45% and 58%)
- Between 2020 and 2022, costs remained steady for CTS recipients.

Affordability takeaways

CTS recipients generally face lower financial barriers than their peers; however, the sharp rise in unmet needs and out-of-pocket costs requires close monitoring. These increases may reflect inflation, tuition growth, or other post-pandemic pressures. Rural CTS recipients have the lowest unmet need and costs. This suggests the Rural Jobs Initiative, intended to provide extra support to rural students, may be having its intended impact. However, disparities exist, and more analysis is needed to understand the causes and impacts, especially as they relate to disparities across race/ethnicity.



Credential attainment (graduation outcomes)

These findings compare CTS recipients from Cohorts 1-4 with the non-participant cohort, or eligible but not selected for CTS applicants from academic years 2019-20 to 2022-23.

CREDENTIAL COMPLETION (OVERALL)	
SCHOLARS	63%
NON-PARTICIPANTS	58%

HIGH-DEMAND CREDENTIAL COMPLETION	
SCHOLARS	90%
NON-PARTICIPANTS	90%

TIME-TO-CREDENTIAL

- **87%** of CTS recipients complete their credential within two years of being selected by WSOS, which is **5%** higher than non-participants. As a comparison, according to IPEDS data, the national graduation rate for two-year institutions is **39%**.

Graduation takeaways

CTS recipients complete credentials more often and more quickly than non-participants. Although they overwhelmingly earn credentials in high-demand fields, non-participants do so at similar rates. Further analysis is needed to understand what drives high-demand credential attainment across different Scholar groups and how WSOS can better support the 37% of Scholars who do not complete a credential to improve persistence and completion for all recipients.



EMPLOYMENT OUTCOMES from our 2025 Alumni Survey

- **80%** of CTS alumni report being employed.
- Of those working:
 - **63%** are in health care
 - **13%** in STEM
 - **8%** in the trades
- **49%** of CTS alumni have earned or are currently pursuing an additional degree or credential, and another **30%** plan to advance their education
 - Among those who have pursued, are pursuing, or plan to pursue further education, **88%** are doing so in the trades, STEM, or health care field.
- **87%** of CTS alumni are living in the same county as when they applied to WSOS, as compared with **67%** of BaS alumni.

According to data comparing CTS recipients and non-participants, overall, non-participants earn **8%** more than Scholars nine months after receiving their credential. Controlling for associate degree recipients only, non-participants earn **10%** more than Scholars. See tables below.

EARNINGS (OVERALL)		EARNINGS (ASSOCIATE DEGREE RECIPIENTS ONLY)	
SCHOLARS	\$70,034	SCHOLARS	\$73,093
NON-PARTICIPANTS	\$75,651	NON-PARTICIPANTS	\$80,559

Several structural differences may explain the 8–10% wage gap:

INCOME BACKGROUND

- **63%** of Scholars are in the bottom three income deciles vs. **31%** of non-participants. Research indicates that students from higher-income deciles tend to gain higher early-career wages.⁵

FIRST-GENERATION STATUS

- **78%** of Scholars are first-generation vs. **52%** of non-participants.
- The earning potential of first-generation college students is often lower due to a lack of access to social capital, which can assist in navigating barriers to higher wages, including wage negotiation, networking, internship access, and job placement.⁶

Earnings by Demographics Unlike BaS, there were no statistically significant differences in annual pay among racial/ethnic groups, gender, or first-generation status.

Earnings takeaways

While CTS Scholars are more likely to complete credentials, their earnings are lower than those of their peers. While we can speculate about the causes, these findings reinforce the need to invest more resources in deepening our understanding of what drives these outcomes and how our program can address and mitigate them.

We will continue to request data so that we can see if these wage gaps will close after more time (past the nine-month post-credential attainment milestone). We also aim to understand how outcomes vary by sector and identify other barriers to wages, such as job placement, employer networks, or required certifications.

Employment takeaways

CTS alumni are working or pursuing continuing education at high rates, in the high-demand trade, STEM, and health care fields that WSOS was built to support.

CTS alumni tend to stay rooted in their communities, with **87%** still residing in the same county as when they applied, suggesting strong local workforce alignment.



CONCLUSION

These findings will guide us as we identify opportunities for improvement and strengths in the program, allowing us to delve deeper into the data for more comprehensive analysis and learning. WSOS actively invites partners in the field to join us in this effort as we strengthen our program model and align our next strategic plan with the needs of Washington students and the workforce.

Baccalaureate Scholarship

The BaS model reduces upfront financial barriers, increases degree completion, and accelerates wage growth. Lower unmet need and reduced borrowing appear to contribute directly to higher persistence. Scholars also benefit from faster time-to-degree and early-career earnings gains.

At the same time, affordability disparities persist by race, income, and geography. These gaps may contribute to downstream wage disparities and uneven workforce outcomes. The data suggest that the BaS program may need more targeted support and interventions to ensure equitable outcomes are possible for all Scholars.

These findings present opportunities for strategic investment, program refinement, and further analysis to ensure WSOS continues to deliver a robust and equitable high-demand talent pipeline for Washington.

Career & Technical Scholarship

The CTS program strengthens affordability, accelerates credential attainment, and improves early employment outcomes. CTS recipients are staying in Washington, and they are working or pursuing advanced education in the trades, STEM, or health care fields. However, rising unmet need and out-of-pocket costs may suggest new affordability pressures to mitigate. Early-career wage gaps between Scholars and non-participants also highlight possible equity challenges that may require programmatic interventions to resolve.

These insights present opportunities to enhance the CTS model through targeted support, partnerships with colleges and employers, and deeper analysis of affordability spikes and wage disparities. Strengthening these areas will help ensure the CTS program continues to expand equitable access to high-demand careers and deliver a strong ROI for Washington.

Endnotes

1. The BaS Comparison Cohort, contains all students that earned a bachelors or applied bachelors degree between 2015-2023 who had a median family income of less than 125%, earned a degree in an eligible bachelor's degree in Washington state, but did not receive an Opportunity Scholarship.
2. Unmet need is the gap between total educational costs and what a student can cover with family resources and grant aid. Higher rates of unmet need are strongly associated with higher dropout rates, increased loan use, excessive work hours, and food/housing insecurity.
3. This allows direct comparison to public data from IPEDS and NCES.
4. Wage data reported by PayScale Inc. Early-career is defined as a bachelor's degree holder with zero to five years of experience.
5. Park, R. S. E., & Scott-Clayton, J. (2019). The impact of Pell Grant eligibility on community college students' financial aid packages, labor supply, and academic outcomes. Educational Researcher. Retrieved from <https://files.eric.ed.gov/fulltext/EJ1195463.pdf>
6. Libassi, C. J. (n.d.). New CCRC research on how low-income students' first jobs predict earnings after graduation. Columbia University, Community College Research Center. <https://ccrc.tc.columbia.edu/easyblog/new-ccrc-research-on-how-low-income-students-first-jobs-predict-earnings-after-graduation.html>

Anahi
Opportunity Scholar



WASHINGTON STATE
OPPORTUNITY
SCHOLARSHIP

877.899.5002

info@waopportunitiescholarship.org

1414 31st Ave. South, Ste. 302, Seattle, WA
98144

waopportunitiescholarship.org

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