HR.1 IMPACT ON POST-SECONDARY EDUCATION

People attending post-secondary institutions in Washington [1,2]

377,000
students enrolled at post-secondary institutions

137,000
students receiving need-based financial aid

53%
students receiving need-based financial aid

44%
experience food insecurity

36%
experience housing instability

46%
experience inadequate healthcare access

Enacted Changes [3,4,5,6]

Narrow Repayment Plan Options

Borrowers are now limited to two repayment options. This change will limit new or modified income-contingent repayment plans and phases out several legacy repayment options.

Impose caps on certain loans

$257,500 lifetime borrowing limit on all federal student loans, excluding Parent PLUS loan amounts, and $200,000 aggregate cap for professional students, excluding amounts borrowed as an undergraduate.

Reduce flexibility of loan repayment

Ends unemployment and economic hardship deferments for Direct Loans issued after July 1, 2027, and caps forbearance for Direct Loans at nine months over two years.

Update to Pell Eligibility

Exclude students who receive grant or scholarship aid covering their entire cost of attendance or for students with a student aid index twice the maximum Pell Grant award.

Elimination of some loans

Eliminates federal subsidized loans for undergraduates and Grad PLUS loans for graduate students.

New Program: Workforce Pell

Starting July 2026, a new federal Pell Grant program will fund short-term certificate programs (at least 8 credits) focused on high-skill, high-wage, or in-demand jobs.

Impact of Changes [7]

- Reduction of loan and grant options for post-secondary students
- Increase student cost burden, impacting students' ability to fund post-secondary education
- Increased demand on education & training programs due to work requirements may overwhelm available capacity
- Increased food insecurity and economic pressures on post-secondary students may impact ability to succeed

Citations

(1) Washington Student Achievement Council (January 2025). "Reassessing Basic Needs Security Among Washington College Students". House Bill H.R.1. (May 2025). One Big Beautiful Bill Act. 119th Congress (2025-2026) https://www.congress.gov/bill/119th-congress/house-bill/1; (2) Washington Health Benefit Exchange Analysis of "One Big Beautiful Bill Act"; (3) Washington Student Achievement Council (May 2025). "Strategic Plan Dashboard". https://wsac.wa.gov/sap-dashboard; (4) House Bill H.R.1. (May 2025). One Big Beautiful Bill Act. 119th Congress (2025-2026) https://www.congress.gov/bill/119th-congress/house-bill/1; (5) SBCTC Analysis of One Big Beautiful Bill Act; (6) National Association of Student Financial Administrators (NASFAA). (July 2025). "Federal Student Aid Changes from the One Big Beautiful Bill Act". https://www.nasfaa.org/uploads/documents/Federal_Student_Aid_Change_OB3.pdf; (7) SBCTC Analysis of One Big Beautiful Bill Act

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