Dual Credit Exam Fees

Budget Language

$1,000,000 of the general fund-state appropriation for fiscal year 2026 and $1,000,000 of the general fund-state appropriation for fiscal year 2027 are provided solely for subsidizing exam fees for dual credit programs for low-income students.

Proviso Purpose

The $1 million proviso is intended to subsidize the cost of Advanced Placement (AP), Cambridge International (CI), and International Baccalaureate (IB) dual credit examinations for students from low-income households.

Services Provided

The Office of Superintendent of Public Instruction (OSPI) administered a grant (Form Package 686) to fund districts to either reimburse eligible students and their families for out-of-pocket exam costs collected by districts or to reimburse districts that chose to cover the costs with local funds. Funding was not made available until after most exams were ordered and there was no certainty that the allocation would be sufficient to cover the costs for all eligible students, therefore it was determined that a grant-based approach was more feasible and expedient than a contractual one.

Criteria for Receiving Services/Grants

AP exam costs for students from low-income households are reduced annually by the College Board to $53. Applicants could apply for funding based on the number of exams ordered by eligible students to reimburse students/families or the district (if it covered those costs with local funds) for exams at the reduced rate. For districts offering CI and IB programs, grant applications accounted for the full exam costs (ranging from $124–$275) for students from low-income households enrolled in CI or IB courses. Students' low-income status was established through free and reduced-price lunch (FRPL) eligibility reflected in districts' student information systems (SIS) or other accepted methods outlined in the Low-Income Verification Form. As applications did not exceed the available funding amount, no additional criteria were considered and all applying districts received the full amount requested.

Beneficiaries in the 2025–26 School Year

Number of School Districts:	71
Number of Schools:	176
Number of Students:	10,215
Number of Educators:	N/A

Are Federal or Other Funds Contingent on State Funding?

No

State Funding History

Fiscal Year	Amount Funded	Actual Expenditures
2026	$1,000,000	$957,596

Number of Beneficiaries Per Fiscal Year (e.g. School Districts, Schools, Students, Educators, Other)

Fiscal Year	Number of Beneficiaries
2026	176 Schools 10,215 Students
2025 (exam subsidies administered through the $4.89 million dual credit proviso)	288 Schools 10,789 Students
2024 (exam subsidies administered through the $4.89 million dual credit proviso)	286 Schools 10,403 Students

Programmatic Changes Since Inception (If Any)

Exam fee subsidies were previously administered through the $4.89 million dual credit proviso, which was not reauthorized in the 2025 legislative session. Consequently, OSPI began communicating that exam fee subsidies would suspend for the biennium in spring 2025. When the $1 million proviso was included in the FY26 budget bill, OSPI sent notification to schools and districts through multiple OSPI listservs on March 31, 2026. Exam providers also provided direct outreach to schools and districts about the availability of funding and the grant application process. The grant opened on April 10 and closed on May 13, 2026. A total of 71 districts applied and were notified of their awards the week of May 18. Since the late-in-the-year timing and short turnaround time for grant application likely contributed to a reduction in the total number of districts applying for test fee subsidies, all districts that applied by the deadline received the full amount requested.

Program(s) Evaluation or Major Findings

While the grant-based approach to administering dual credit exam fee subsidies was efficient in 2026, it was simplified by the comparatively low number of beneficiaries and the fact that the amount requested ($957,596) was just under the amount available. Awards did not need to be adjusted or considered in light of additional criteria. Despite a concerted effort on the part of OSPI and exam providers to promote the opportunity to apply for funding between March 31 and May 13 many districts did not apply, missed the application deadline, or did not include all schools in their applications. Applications from CI and IB schools/districts, whose staff were

accustomed to applying for grant funds, were consistent, but fewer than half (71) of the 153 districts the College Board billed for reduced-fee AP exams applied for funding.

In 2025, 288 schools received nearly $1.13 million in exam fee subsidies. Of those 288 schools, 267 (93%) had eligible AP exam costs billed directly to OSPI. In 2026, however, only 176 schools completed grant applications, meaning that almost 40% of schools that have historically offered exam fee subsidies to students either did not do so in 2026 or did so using local funds that were not recovered through the grant program.

Major Challenges Faced by Program(s)

The $1 million proviso is not sufficient to cover the costs for all exams taken by all eligible students. In 2025, exam fee subsidies amounted to nearly $1.13 million and the number of exams being taken by students continues to grow. The College Board reports that the number of exams administered since 2022 is up 44% and there was a 3.6% increase from 2025 to 2026. The College Board estimates that reduced-fee AP exams alone will amount to $784,400 in 2027.

In 2026, $358,378 was awarded for CI and IB subsidies. This is a 16% increase over the amount awarded in 2025 which followed a 13% increase from 2024 to 2025. The College Board's 2027 estimate combined with a 15% increase in the CI and IB subsidies awarded in 2026 would amount to approximately $1.2 million.

Knowing that demand may exceed the amount of funding available with more time to promote the availability of exam fee subsidies, OSPI cannot confidently reestablish a direct-billing contract with the College Board. While the direct-billing contract between OSPI and the College Board ensured that all eligible students' costs were covered at all schools without additional work on the part of districts, such a contract would leave too little funding available to subsidize CI and IB students' fees.

As a result, OSPI will continue to administer dual credit exam fee subsidies by grant, which does require more work on the part of schools and districts and does not guarantee that all eligible students' exam costs will be subsidized if districts lack the time or resources to apply. As it is likely that the number of applicants will increase with greater awareness and a larger application window, it is likely that either some applicants will not receive their full grant request as they did in 2026 or grant allocations will be reduced across all applicants to account for the lack of available subsidy funds.

Future Opportunities

For the 2026–27 school year, the grant application will remain open from mid-October to March 31 to provide a longer timeline for districts to apply, ensure they are including all schools, and allow them to account for late registrants and cross-check student eligibility with exam order forms. The reinstatement of the program and 2026–27 application process was included in OSPI's annual Dual Credit Updates Bulletin No. 030-26, promoted in multiple departments'

back-to-school newsletters, and addressed in an October cross-sector webinar. Monthly reminders will be provided through the Dual Credit Updates listserv.

With just 176 schools accounting for almost $960,000 in subsidy funding in 2026, OSPI intends to put safeguards in place to ensure grant requests accurately reflect the number of eligible students and the exams they take. The College Board will provide OSPI with a summary of exam orders for eligible students in December and March, which will allow the grant administrator to flag applications that appear to overestimate the number of eligible students or exams. It is unclear whether CI or IB can or will provide the same data, but their share of total expenditures is significantly smaller. If requests exceed the available amount as expected, OSPI will consider an equity-minded approach to adjusting grant awards to support schools, districts, and student populations with the greatest need.

Acknowledging that the available funding is unlikely to meet the demand, OSPI provided recommendations in Bulletin No. 030-26 for how districts could approach dual credit exam subsidies in 2026–27. They included:

- Covering the full exam costs for eligible students and absorbing the amount not covered by the grant award.
- Requiring exam payment in full of students/families and reimbursing them a portion of the cost based on the grant award.
- Requiring a deposit or partial exam payment of subsidy-eligible students to ensure the cost of all exams will be met through a combination of payments and grant funds.

Other Relevant Information

N/A

Schools/Districts Receiving Assistance

Click here to see a list of all OSPI grant recipients in the 2026 Fiscal Year.

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