

The Economic Value of Seattle Promise



Seattle Promise is a college tuition and support program offered through a partnership between Seattle Colleges, Seattle Public Schools, and the City of Seattle's Department of Education and Early Learning (DEEL). Funded in part by the voter-approved Families, Education, Preschool, and Promise (FEPP) Levy in 2018, Seattle Promise provides free college tuition and academic support to help Seattle high school graduates attend and complete college.

This study uses an investment analysis to assess the value of the program for students, taxpayers, and the broader community. The results reflect data from Fiscal Year (FY) 2022-2023 and show Seattle Promise is a powerful and affordable pathway to economic mobility.



FOR STUDENTS AND FAMILIES

From College to Career. Over the past few years, Seattle Promise students have received tuition and support services while studying at Seattle Colleges. Many of these students have since entered the City of Seattle's workforce with new knowledge and skills. Today, hundreds of Seattle Promise alumni are employed across the city, contributing to local industries and the economy.

A Smart Investment in Students' Futures. Even though some students cover modest costs for books and supplies, Seattle Promise helps reduce the total cost of college. In FY 2022-23:

- Students invested **\$4.9 million** in time and money (including lost income while attending college).
- In return, those same students are expected to earn a present value of **\$59.1 million more over their working lives** thanks to their education.
- That's a return of **\$12 for every \$1** invested.
- The average annual return, **21.1%**, is better than most investments.

FOR TAXPAYERS (LOCAL & STATE)

Public Dollars at Work. In FY 2022-23, **state and local taxpayers** invested **\$6.2 million** in scholarships for Seattle Promise students, including **\$3.7 million** from the City of Seattle.

Returns Through Higher Earnings and Tax Revenues. Thanks to the higher lifetime earnings of graduates and increased economic activity:

- Taxpayers will see **\$11.1 million** in added tax revenues, including **\$5.9 million** for the City of Seattle.
- An additional **\$2.5 million** in public savings will come from reduced demand for services such as health care, housing assistance, and the justice system—**\$1.5 million** of that benefiting Seattle directly.

Positive Return on Public Funds

- **Total taxpayer benefits: \$13.6 million** statewide, including **\$7.4 million** for the City of Seattle.
- That's a return of **\$2.20 for every \$1** invested.
- City of Seattle taxpayers see a return of **\$2.00 for every \$1** invested.
- These benefits translate to **an average annual return of 4.2%** for state taxpayers and **4.1%** for local taxpayers.

Seattle Promise scholars see a high rate of return for their educational investment



Average annual return for Seattle Promise scholars
21.1%



Stock market 30-year average annual return
10.1%



Interest earned on savings account (national deposit rate)
0.5%

Source: Forbes' S&P 500, 1994-2023; FDIC.gov, March 2023

For every \$1...



Students gain in lifetime earnings
\$12.00



State & Local Taxpayers gain in added tax revenue and public sector savings
\$2.20



City of Seattle Taxpayers gains in added income and social savings
\$2.00



Community gains in added income and community savings over students' working lifetimes
\$181.8 million

A STRONGER SEATTLE AND BEYOND

- **Wider Economic Growth.** The long-term impact of Seattle Promise extends beyond individual students and taxpayers. Based on the cohort of students served in FY 2022-23, their increased productivity and earnings are projected to generate **\$177.0 million in economic growth** across Washington State over the course of their working lives.
- **Shared Public and Private Savings.** The program is also expected to produce **\$4.8 million in shared savings**—including lower use of public services, improved community health, and increased civic participation. These benefits help strengthen the social and economic fabric of the region.
- **A Lasting Return for the Entire Community.** In FY 2022-23 alone, the total community benefit of Seattle Promise scholarships is estimated at a present value of **\$181.8 million**—delivering real value for Seattle residents and for Washington as a whole.

Seattle Promise is more than a scholarship program—it's a smart, long-term investment in the future of Seattle. It helps young people build better lives, strengthens the economy, and delivers solid returns to taxpayers.

