February 9, 2024

The Honorable Miguel Cardona
Secretary of Education
400 Maryland Avenue, SW
Washington, D.C. 20202

Richard Cordray
Chief Operating Officer
Office of Federal Student Aid
400 Maryland Avenue, SW
Washington, D.C. 20202

James Kvaal
Under Secretary of Education
400 Maryland Avenue, SW
Washington, D.C. 20202

Dear Secretary Cardona, Under Secretary Kvaal, and Mr. Cordray:

I write on behalf of the American Association of Community Colleges (AACC) concerning the continuing implementation of the 2024-25 Free Application for Federal Student Aid (FAFSA) and new needs analysis system. AACC represents the nation's 1,038 community colleges and their students.

The new form dramatically simplifies the federal student aid application process. Community college officials have every hope that it will increase the percentage of FAFSA filers on our campuses and raise college-going rates. We are similarly grateful for the new needs analysis, the Student Aid Index (SAI), which is set to deliver billions of additional dollars in aid to low-income students.

The initial implementation of the FAFSA has been extraordinarily challenging for students, families, and administrators. The recent announcement that colleges will not receive Institutional Student Information Records (ISIRs) until mid-March compounds these challenges. For many students, including those who need to submit a correction to the FAFSA or list another college to receive their ISIR, this means they will probably not receive federal aid eligibility information until April. The timeline is even more difficult for students whose parents do not have a Social Security Number and are still waiting for a way to complete the form.

AACC appreciates the continuing efforts from the Department of Education (ED) to keep stakeholder groups informed on FAFSA implementation and appreciates this week's announcement of the FAFSA College Support Strategy. AACC is optimistic that the dedicated technical assistance for lower-resourced colleges deployed through non-profit networks will offer critical support for students, parents, and colleges during this process.

However, AACC remains concerned that these efforts will not be sufficient to counteract the challenges created by the delays in the FAFSA filing process. To help ameliorate this difficult situation, We urge ED to take a concrete action that will provide significant help—suspending financial aid verification for the 2024-25 award year.

Each year, millions of students are flagged for verification after filing their FAFSA. Verification is a highly burdensome process that almost always impacts low-income students, requiring them to submit additional documentation. During this already challenging award cycle, verification will result in additional obstacles for students who often have limited familiarity with the financial aid system and financial literacy generally. At best, verification can cause undue stress and further restrict the time for community colleges students to make the decision to enroll. At worst, verification will be an insurmountable burden that causes students to delay or abandon their college-going aspirations.

During the 2021-22 award year, ED suspended verification to account for the disruption caused by the COVID-19 public health emergency. Agency officials recognized that the pandemic exacerbated burdens to college access and that verification could preclude college attendance outright for many students. Due to the delayed implementation of the new FAFSA, AACC believes that verification could once again unnecessarily derail many students' college aspirations. We also note that verification is a notoriously imprecise system. A report from the National Association of Student Financial Aid Administrators (NASFAA) found that among applicants selected for verification, 84 percent saw no change in their needs assessment.

Under the new FAFSA process, which utilizes direct importation of income information from the Internal Revenue Service (IRS), verification should decrease. However, the students most likely to be flagged for verification under the new system – those that cannot directly import income information – are also those who have likely encountered challenges, additional steps, and additional delays to filing as the FAFSA has come online.

AACC strongly urges the Department to waive the 2024-25 income verification requirements and to continue exploring additional flexibilities for students, parents, and colleges as we navigate this difficult award year.

Thank you in advance for considering AACC's view on this matter. They are shared by numerous campus officials. Please let me know if you have any questions about this critical issue.

Sincerely,

Walter G. Bumphus, Ph.D.
President and CEO