



FAFSA Simplification

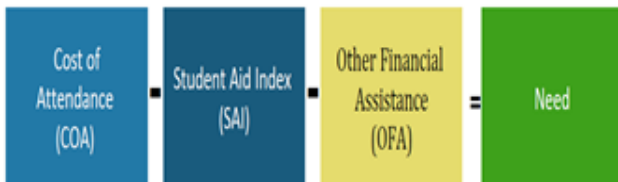
WHAT IS THE FAFSA SIMPLIFICATION ACT?

The FAFSA Simplification Act represents a significant overhaul of the process and systems used to award federal student aid starting with the 2024-25 award year. These changes should account for:

- A more streamlined application process.
- Expanded eligibility for federal financial aid.
- Reduced barriers for certain student populations.
- A better user experience for the FAFSA form.

WHAT WILL CHANGE?

- The 2024-25 FAFSA will be available in December 2023 (rather than October).
- Student Aid Index (SAI) is replacing the Expected Family Contribution (EFC) in the formula.
- Will require consent to use IRS data import.



BENEFITS TO STUDENTS, FAMILIES AND BORROWERS

Replacing the Expected Family Contribution (EFC) with the Student Aid Index (SAI) means:

- Students and families will see a different measure of their ability to pay for college and will also experience a change in the methodology used to determine aid. The new formula removes the number of family members in college from the calculation and allows a negative SAI. Also, what's included for income and assets will change.

Expanding access to Federal Pell Grants means:

- Formula changes will mean more students will be eligible because eligibility will be linked to family size and the federal poverty level. Some applicants will be able to determine Pell Grant eligibility prior to enrolling in college based on their family size, household income and state's poverty standards.

WHAT'S NEXT?

- OFA will check in with campus partners to ensure materials and websites are updated to reflect FAFSA not opening until December 2023.
- The current Net Price Calculator (NPC) will not reflect the changes with SAI until later in the summer when we know more and can update it.
- <https://fsapartners.ed.gov/knowledge-center>