WHAT IS THE FAFSA SIMPLIFICATION ACT?

- a more streamlined application process,
- expanded eligibility for federal financial aid,
- reduced barriers for certain student populations, and
- a better user experience for the FAFSA form.

KEY INFORMATION AND TALKING POINTS:

- 2024-2025 FAFSA NOT AVAILABLE UNTIL DECEMBER 2023
- STUDENT AID INDEX (SAI) IS REPLACING EFC IN THE FORMULA
- FORMULA CHANGE SHOULD MEAN MORE PELL FOR SOME STUDENTS
- FSA ID REQUIRED FOR STUDENT AND CONTRIBUTORS (PARENTS)

Cost of Attendance (COA) − Student Aid Index (SAI) = Financial Need

Benefits and what's next
WHAT'S NEXT IN PREPARATION

✓ Be alert to communications from Federal Student Aid, your colleges and high schools.
✓ All students will need to complete a new FAFSA for 2024-2025.
✓ Enhanced security results in new roles for students and parents or spouses. Each are contributors and must provide consent.
✓ Get your FSA ID NOW, before the application opens! (students and parents)
✓ Federal tax filers will be required to use the enhanced data exchange with the IRS.
✓ Be patient, we are here to help. Change produces different challenges. Ask for help.

BENEFITS TO STUDENTS, FAMILIES AND BORROWERS

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

- 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 minimum SAI of negative $1,500 to give financial aid administrators more insight when making determinations for students with especially challenging situations.
- The FAFSA Simplification Act expands the Federal Pell Grant to more students and links eligibility to family size and the federal poverty level.