H.R. 8932, FAFSA Deadline Act

Rep. Erin Houchin (R-IN)



BACKGROUND

The Free Application for Federal Student Aid (FAFSA) is designed to make postsecondary education accessible and affordable for students across the United States.

- Per the Higher Education Act, the FAFSA application should be available on October 1 "to the maximum extent practicable," but it must be available by January 1. The FAFSA application has traditionally been released on October 1 to give students, families, and schools ample time to prepare for the coming academic year—until 2023 under the Biden-Harris administration.
- In December 2020, Congress passed the bipartisan FAFSA Simplification Act with the goal
 of streamlining and improving the FAFSA process. In March 2021, Congress gave the
 Education Department (ED) an additional year to implement the new FAFSA application with
 the understanding it would be released in October 2023 ahead of the 2024-2025 academic
 year.

BIDEN-HARRIS PROBLEMS

- Despite a one-year extension to implement the revised FAFSA, ED missed the October 1, 2023, deadline for the 2024-2025 application and failed to communicate with the public or colleges in a timely manner.
- As early as August 2022, ED knew the full implementation of the FAFSA would be delayed past October 1, 2023, but refused to tell the public. Eight months later in March 2023, ED finally admitted the FAFSA would be delayed until "sometime in December." ED then waited until November 15 to say the FAFSA would be released on December 31, a day before the January 1 deadline.
- On December 15, ED skirted the intent of the statutorily required January 1 date by saying the application would be a "soft launch." ED knew that "launch" would be functionally unusable.
- After January 1, key components of the form remained unavailable for months, prohibiting students from being able to submit their information or correct errors.
- On top of that, the processing of completed FAFSAs was delayed for months. Once
 processing finally began, millions contained calculation errors—rendering them useless for
 schools and requiring reprocessing.

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BIDEN-HARRIS PROBLEMS

- Other FAFSA components, such as allowing institutions to issue batch corrections, are still incomplete and unavailable to this day.
- This year, ED refused to commit to an October 1 release date and this August announced the FAFSA would be delayed until December 1, setting a new precedent of delaying the FAFSA for a second straight year.

IMPACT OF DELAYS ON STUDENTS AND FAMILIES:

FAFSA delays cause great confusion for schools and families and make it difficult for states and nonprofits to process aid packages or award scholarships. ED let 4 million calls for help go completely unanswered during the application cycle for the 2024-2025 school year.

The Biden-Harris failures had a direct impact on fall enrollment. The GAO found that roughly 430,000 fewer students submitted a FAFSA for the 2024-2025 award year. This fall semester institutions experienced the steepest drop in first-year enrollment since the pandemic.

THE SOLUTION

- H.R. 8932, the *FAFSA Deadline Act*, would give students, families, and schools muchneeded clarity by ensuring the FAFSA is released and fully operational by October 1 each year.
- The current "flexibility" in statute allows the Education Department not to release the FAFSA until January 1, causing confusion for schools and families. By creating a hard deadline of October 1, this bill will end that confusion.

BOTTOM LINE:

 Passing H.R. 8932 will prevent the Education Department from continuing its alarming pattern of botched FAFSA rollouts.