

H.R. 7892





NO AID FOR GHOST STUDENTS ACT

REP. BURGESS OWENS (R-UT)

BACKGROUND:

Federal student aid is meant to help students pay for college, job training, and career education. But schools and taxpayers are facing a growing problem from “ghost students”—fraudsters who use fake or stolen identities to enroll in classes, collect federal aid, and disappear. In some cases, organized fraud rings submit large numbers of fake applications using stolen personal information, wasting taxpayer dollars, overwhelming financial aid offices, and harming legitimate students.

THE PROBLEM:

-  **Fraudsters are stealing student aid.** Criminals use fake or stolen identities to fraudulently obtain federal student aid and then disappear.
-  **Colleges are struggling to keep up.** Schools are spending more time and resources investigating fraud instead of supporting students.
-  **Real students can be harmed.** Fraud can delay financial aid and crowd legitimate students out of classes.
-  **Taxpayers are paying the price.** Money lost to fraud is money taken away from students.

BY THE NUMBERS:

\$350+
MILLION
ghost student
fraud uncovered
since 2019

MORE applications
THAN 1.2 flagged as likely
MILLION fake in annual
review of California
community colleges

OVER 1
BILLION
in attempted
federal financial
aid theft in 2025

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THE SOLUTION:

H.R. 7892, *No Aid for Ghost Students Act*, which also includes Student Aid Fraud Oversight and Accountability Act authored by Rep. Glenn “GT” Thompson (R-PA). The bill is designed to stop fraud before taxpayer money is lost while giving schools better tools to protect students and maintain the integrity of the federal student aid system.

Specifically, it:

-  Mandates a front-end identity fraud screening for federal student aid applications
-  Flags applications that present high fraud risk
-  Requires identity verification for flagged applications before federal funds go out the door
-  Provides schools with clear guidance for identity verification
-  Protects the schools most at risk from fraudsters
-  Strengthens oversight of student aid fraud
-  Helps ensure taxpayer dollars go to eligible students

BOTTOM LINE:

*H.R. 7892 cracks down on **FRAUD**, improves **OVERSIGHT**, and makes sure federal student aid supports **REAL STUDENTS***