

Congress of the United States
House of Representatives
Washington, DC 20515-4604

July 26, 2024

The Honorable Secretary Dr. Miguel A. Cardona
U.S. Department of Education
400 Maryland Ave SW
Washington, DC 20202

Dear Secretary Cardona:

I write to express concerns about the profound effects the six-month delay in delivering the 2024-2025 Free Application for Federal Student Aid (FAFSA) had on undergraduate students, particularly first-generation students. These delays reduced the time many vulnerable populations need to make thoughtful college attendance decisions.

Implementing the *FAFSA Simplification Act* was a critical step toward streamlining the federal student financial aid process and ensuring more equitable access to higher education. I appreciate the Department of Education's efforts to streamline and simplify the application, making the Federal Pell Grant available to over 610,000 students from low-income households, with 1.5 million more students eligible for maximum Pell awards.¹ While the FAFSA Simplification Act marked a crucial milestone in modernizing the federal student financial aid processes, the unforeseen delays in the 2024-2025 FAFSA rollout created substantial challenges for students and their families across the nation.

While I commend the Department's commitment to improving FAFSA for students, families, borrowers, and schools, I am worried about the long-term impact on the incoming class of students, continuing students, and the overall health of institutions should there be any further delays. I respectfully request that the Department address the following issues to enhance the effectiveness of federal financial aid programs and uphold the integrity of institutions' missions to serve diverse student populations:

1. **Clarify that institutions that calculated financial aid based on initial Institutional Student Information Records (ISIRs) reports will not be required to claw back student funds if their aid eligibility later reduces due to ongoing FAFSA corrections.** In April, it was reported that approximately 30 percent of all initial ISIRs transmitted by the Department of Education needed to be corrected and had to be

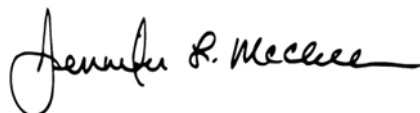
¹ U.S. Department of Education Releases New Data Highlighting How the Simplified, Streamlined, and Redesigned Better FAFSA Form Will Help Deliver Maximum Pell Grants to 1.5 Million More Students (November 2023)
<https://www.ed.gov/news/press-releases/us-department-education-releases-new-data-highlighting-how-simplified-streamlined-and-redesigned-better-fafsa%C2%AE-form-will-help-deliver-maximum-pell-grants-15-million-more-students>

reprocessed.² Historically Black Colleges and Universities (HBCUs) and minority-serving institutions and their students stand to be disproportionately impacted should this aid be clawed back. While the Department indicated in early April that institutions could package according to the initial ISIRs, they have yet to issue clear guidance that most auditors would accept, delaying the ability of many institutions to move forward.

2. **Delay implementation of the Financial Value Transparency and Gainful Employment Final Rule and IHE reporting deadlines.** I appreciate the Department's work to improve the quality and availability of information provided directly to students about the costs, sources of financial aid, and outcomes of students. However, the Department has yet to release guidance on many regulatory requirements, including the forms and definitions institutions will be required to follow starting in July.
3. **Allow institutions to convert unused Federal Work-Study (FSW) funds to Federal Supplemental Educational Opportunity Grant (FSEOG) funds for students with high financial need.** During the COVID-19 national emergency, many financial aid offices underspent their federal work-study allocation due to the change to remote learning, campus closings, and the subsequent inability to provide students with work opportunities. In response to the crisis, the Department permitted institutions to temporarily transfer up to 100 percent of their unexpended FSW dollars to the FSEOG program, providing additional aid to students with financial need. Further, FAFSA delays are rendering most institutions unable to properly prepare aid packages in a timely fashion; allowing institutions this flexibility would ensure students' full financial needs are met.

Again, I applaud the steps the Department is taking while implementing the *FAFSA Simplification Act*, ensuring students, families, and institutions demystify and streamline the federal financial aid process. However, further delays will have severe impacts on the institutions of higher education and the students they strive to serve. Thank you for your attention to this urgent matter. I look forward to your prompt response and collaboration to ensure that students in our districts receive the support they need to succeed in higher education.

Sincerely,



Jennifer L. McClellan
Member of Congress

² ED Releases Details on Reprocessing ISIRs, FAFSA Student Corrections (April 2024) https://www.nasfaa.org/news-item/33358/ED_Releases_Details_on_Reprocessing_ISIRs_FAFSA_Student_Corrections