

October 16, 2023

Kun Mullan,
PRA Coordinator
Strategic Collections and Clearance, Governance and Strategy Division,
Office of Chief Data Officer, Office of Planning, Evaluation, and Policy Development
U.S. Department of Education
400 Maryland Ave. SW
Washington, DC 20202

Re: 2024-2025 Free Application for Federal Student Aid (FAFSA), OMB Control Number 1845-001, ICR Reference Number 202303-1845-006, Docket ID ED-2023-SCC-0053

Via: https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202303-1845-006

Dear Office of Information and Regulatory Affairs:

The undersigned organizations write to comment on the **2024-25 Free Application for Federal Student Aid (FAFSA)** regarding students' access to public and tax benefits. We thank the Administration for their attention to the basic needs and non-tuition expenses facing students despite significant operational constraints by the U.S. Department of Education ("Department").

Recently released, nationally representative federal data show that more than 1 in 5 students in higher education are experiencing food insecurity, representing more than four million undergraduate and graduate students combined.¹ And more than 1.5 million students are experiencing homelessness. Voluntary surveys conducted by hundreds of colleges in recent years have found similar results of severe basic needs insecurity in higher education.²

This crisis of student basic needs insecurity is rampant, but public and tax benefits can help reduce these pressures. We appreciate the Department's prior work in this area, including guidance issued to institutions in January 2022 on several federal programs.³ By addressing urgent student financial needs, the Department can further improve student success and reduce inequitable gaps in college access and success. Public and tax benefits supplement traditional forms of financial aid, alleviate income constraints, and buffer against emergencies that can easily throw students off track from graduation.

We ask the Department to modify the FAFSA and related processes to help identify more applicants who might benefit from public and tax benefit programs. At least 11 discrete provisions of the *FAFSA Simplification Act* refer to means-tested federal benefits, most of which

¹ McKibben, B., Wu, J., and Abelson, S. (2023, August). [New Federal Data Confirm that College Students Face Significant—and Unacceptable—Basic Needs Insecurity](#). The Hope Center at Temple University.

² The Hope Center at Temple University. (2021, March). [#RealCollege 2021: Basic Needs Insecurity During the Ongoing Pandemic](#); Trellis Company. (2022, November). [Student Financial Wellness Survey \(SFWS\), Fall 2021](#); CCCSE. (2022). [Mission critical: The role of community colleges in meeting students' basic needs](#).

³ U.S. Department of Education, Federal Student Aid. (2022, January 20). [DCL ID GEN-22-02: Use of FAFSA Data to Administer Federal Programs](#).

facilitate greater outreach about such benefits and help recipients learn more about their financial aid options. We are pleased to offer these recommendations in the spirit of Congressional intent.

Federal benefits received (questions 18 and 36)

This question on the FAFSA provides important opportunities to connect students and families with benefits that support their basic needs. A subset of the benefits listed also simplifies the form for applicants who are exempt from asset reporting. We appreciate the inclusion of the following benefits on the draft FAFSA:

- Earned Income Tax Credit (EITC)
- Federal housing assistance
- Free or reduced-price school lunch
- Medicaid
- Refundable credit for coverage under a qualified health plan (QHP)
- Supplemental Nutrition Assistance Program (SNAP)
- Supplemental Security Income (SSI)
- Temporary Assistance for Needy Families (TANF)
- Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

Under Section 483 (a)(2)(B)(ii)(XVII) of the *Higher Education Act* (HEA), the Secretary is authorized to add “*any other means-tested program determined by the Secretary to be appropriate*” to the above list to help connect applicants with benefits. Therefore, we strongly urge the Department to add other federal benefits to the FAFSA that could improve the financial security of all applicants. We request the Secretary add—at a minimum—the following list of benefits to the list that can be checked by either the student or parent applicant(s), as applicable:

- Affordable Connectivity Program (ACP)
- Low Income Home Energy Assistance Program (LIHEAP)
- Unemployment Insurance (UI)
- Child Tax Credit (CTC)
- American Opportunity Tax Credit (AOTC) and/or Lifetime Learning Credit (LLC)

All of these public and tax benefit programs support student success. The Biden-Harris Administration has conducted laudable and extensive national outreach on ACP. The Department has also taken the important step of connecting with the National Verifier to verify the eligibility of Pell recipients for ACP automatically. Given that all students eligible for Pell Grants are also eligible for ACP, it is critical to know which financial aid recipients should be notified about the program. Additionally, given the increasingly severe impacts of climate change from weather-related events, students could benefit substantially from the heating and cooling assistance available through LIHEAP, particularly if they live off-campus.⁴

⁴ Contreras, January. (2022, April). [*LIHEAP and Extreme Heat: How the Low-Income Home Energy Assistance Program is assisting families with staying safe, healthy, and prepared for extreme heat events.*](#) Administration on Children and Families, U.S. Department of Health and Human Services.

Lastly, adding tax benefits like the CTC and AOTC/LLC would bolster the Department’s efforts to improve the take-up of tax benefits among students and their families, which could be worth thousands of dollars that can be used to support their education. Research has consistently demonstrated that many of the individuals who could benefit from tax benefits fail to claim them and that low-cost outreach about tax benefits can significantly improve take-up.⁵ With a broader range of information on the use of applicable tax benefits, the Department could unlock highly beneficial outreach efforts during tax filing season.

There is also a long history of bipartisan Congressional support for conducting outreach to students and their families on public and tax benefits. For example, S.Rpt. 118-84 for the Fiscal Year 2024 appropriations bill “*encourages the Department to work with [Child Care Access Means Parents in School] CCAMPIS grantees to conduct direct outreach to student parents regarding State and Federal public benefits, the Child Tax Credit, and education tax benefits for which the student parent may be eligible.*”⁶ Better information from the FAFSA would streamline compliance with these directives.

Additionally, the Department should revise the question text to conform with the *FAFSA Simplification Act*, which requires the form to ask if the applicant (or their parent(s) or spouse, as applicable) “*receives or has received any of the following means-tested Federal benefits within the last two years.*” The current text, which asks whether the applicant received the benefit “at any time during 2022 or 2023,” will not capture situations where the applicant currently receives a means-tested benefit at the time they complete the FAFSA but did not receive it in 2022 or 2023. Therefore, the text of this question should begin with “*At any time in the last two years, did the student or anyone in their family receive benefits from any of the following federal programs? Select all that apply.*”

We also ask the Department to revise the text for the “*Refundable credit for coverage under a qualified health plan (QHP)*” to “health insurance subsidy under the Affordable Care Act” or similar accessible language. The terminology about refundable credits currently on the draft form is not likely to be well-understood by applicants, leading to under-reporting. Without accurate responses to this field, it will be more difficult for institutions to follow up with applicants to provide them with relevant information about opportunities for them to obtain health insurance subsidies. Students and their families may remain uninsured and more likely to experience basic needs insecurity or enrollment-disrupting health emergencies.

Additionally, we request “help text” be added to this question that notes that applicants’ answers could make it easier for them to complete the FAFSA (bypassing asset information for those who qualify) and could help the applicant obtain additional financial support if they later apply for these benefits. Some applicants may otherwise misunderstand the intent of this question, thinking that receiving other types of benefits would reduce their financial aid eligibility since they were already receiving other assistance. Some immigrant families may be reluctant to answer the

⁵ Goldin, J., Homonof, T., Javaid, R., and Schafer, B. (2022, February). [Tax filing and take-up: Experimental evidence on tax preparation outreach and benefit claiming](#). *Journal of Public Economics*, Volume 206, 2022, 104550, ISSN 0047-2727

⁶ United States Senate. (2023, July 27). [S.Rpt. 118-84. DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATION BILL, 2024.](#)

question given lingering fears from a prior “public charge” regulation.⁷ When applicants know that they only stand to benefit from the question, they are more likely to answer it accurately.

Finally, since questions 18 and 36 refer to “anyone in their family,” the help text should tell applicants to base their answer on any family members they included in the calculation of the family size in question 9 for clarity.

Exemption from asset reporting

We are concerned that, as currently constructed, applicants who select any of the qualifying benefits in questions 18 or 36 (which include federal housing assistance, Medicaid, SNAP, SSI, TANF, or WIC) may not be able to skip the asset questions as Congress intended. Many such applicants won’t know they are not required to answer these asset questions and could be unnecessarily delayed or disrupted from completing the FAFSA. We recognize this may be a result of the roles-based process that requires all contributors to complete their sections and separately qualify, however, the current flow could limit the potential simplification and present more questions to applicants than are required. We ask the Department to provide help text that better instructs qualifying applicants to skip the asset questions. Additionally, the Department should identify categories of applicants who could automatically skip asset questions based on information already completed by other contributors. In future versions of the FAFSA, limiting question 18 to refer only to benefits received by the student, and question 36 to refer only to benefits received by the parent(s), might help to re-establish the intended skip logic.

Further, under Section 479(b)(4)(H)(vii) of the HEA contained in the *FAFSA Simplification Act*, the Secretary retains authority to designate additional benefit programs to qualify the applicant for exemption from asset reporting. The only limitation is that such programs must be “*approximately consistent with the income eligibility requirements of the means-tested programs*” of federal housing assistance, Medicaid, SNAP, SSI, TANF, or WIC. Given the low income thresholds of LIHEAP, we believe this program should also qualify an applicant to bypass asset reporting. We also ask the Department to begin an official review of the income requirements of the other programs we have listed above to determine whether they have similar income requirements and could qualify applicants for a more streamlined process for completing the FAFSA. Once that review is complete, we ask the Department to implement additional exemptions from asset reporting for the 2025-26 award year and beyond.

Authorization for applicants to share data

Several overlapping statutory authorities reveal clear Congressional intent to expand outreach and assistance to students about public and tax benefits. Sec. 483(a)(2)(D)(ii) of the HEA, contained in the *FAFSA Simplification Act*, provides authority for the Department to include a method on the FAFSA for applicants to consent to receive follow-up information about public benefits proactively:

“(ii) AUTHORIZATION TO DISCLOSE TO BENEFITS PROGRAMS.—An applicant and, if necessary, the parents or spouse of the applicant may provide the Secretary with authorization to disclose to applicable agencies that handle applications for means-

⁷ Immigration Impact. (2023, August). [The Ghost of Public Charge Keeps Scaring Immigrant Families Away From Public Benefits.](#)

tested Federal benefit programs, as defined in section 479(b)(4)(H), all information provided by the applicant on the application described by this subsection as well as such applicant's student aid index and scheduled Federal Pell Grant award to assist in identification, outreach and application efforts for the application, award, and administration of such means-tested Federal benefits programs, except such information shall not include Federal tax information as specified in section 6103(l)(13)(C) of the Internal Revenue Code of 1986."

The statutory text immediately following this provision also requires the Secretary to "as soon as practicable, disclose the information described under such subparagraph, ...in order for the applicant's eligibility for ... means-tested Federal benefit programs to be estimated or determined."⁸ Additionally, the *Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019* (P.L. 115-245) contained the following free-standing (and complimentary) law in Section 312⁹:

*(a) An institution of higher education may, with explicit written consent of an applicant who has completed a FAFSA under such section 483(a), provide such information collected from the applicant's FAFSA as is necessary to a scholarship granting organization, including a tribal organization (defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304)), or to an **organization assisting the applicant in applying for and receiving Federal, State, local, or tribal assistance**, that is designated by the applicant to assist the applicant in applying for and receiving financial assistance for any component of the applicant's cost of attendance (defined in section 472 of the HEA) at that institution.*

(b) An organization that receives information pursuant to subsection (a) shall not sell or otherwise share such information.

(c) This section shall be in effect until title IV of the HEA is reauthorized.

Accompanying this text was bipartisan bill report language:

Sharing FAFSA Information.--*The Committee recommendation reaffirms language included in the Consolidated Appropriations Act, 2018 regarding the need to provide students with a means to share data from the FAFSA in order to assist an applicant in applying for and receiving financial assistance for any components of cost of attendance with the explicit written consent of the applicant. The Committee recommendation also further clarifies that such sharing is also allowed with an organization assisting the applicant in applying for and receiving Federal, State, local, or tribal assistance in order to fund additional components of the applicant's cost of attendance. Additionally, consistent with the privacy provisions of paragraph (3)(E) of section 483(a) of the Higher Education Act, the Secretary may designate such entities to receive data from the electronic version of the FAFSA. **The Committee encourages the Secretary to use such authority to enable the sharing of FAFSA data for the purpose of connecting students***

⁸ Sec. 483(a)(2)(E)(ii) of the HEA

⁹ [H.R.6157 - Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019. P.L. 115-245](#)

to State or Federal means-tested benefit programs for which they may be eligible and for which, if eligible, could reduce the applicant's need to borrow or work during college.

Unfortunately, draft 2024-25 FAFSA does not provide a method for applicants to provide consent or authorization—such as a “check box”—to share even their *non-FTI* data directly with government entities to be connected with public and tax benefits. The draft form only allows applicants to consent to share their federal taxpayer information (FTI) to calculate financial aid. Most students will remain in the dark about the benefits they may be eligible for unless they receive timely information.

While *institutions of higher education* are permitted to use some non-FTI data to send their students information on public benefits, the agencies at the local, state, and federal levels that administer these programs are best equipped to conduct this outreach directly. Using the explicit statutory authority afforded to the Secretary, we ask the Department to add a method for applicants to voluntarily provide authorization (or decline) to receive additional information about, and connections to, public and tax benefits. This authorization could be placed next to the list of benefits in questions 18 or 36.

Outreach and agency data-sharing

Two additional provisions of the *FAFSA Simplification Act* speak to the Secretary’s responsibility for proactively sharing information with FAFSA applicants about the public and tax benefits they might be eligible for. For example, Sec. 483(a)(3)(A)(iv) of the HEA states:

“(iv) If the student is eligible for a student aid index of less than or equal to zero under section 473, a notification of the Federal means-tested benefits that they have not already indicated they receive, but for which they may be eligible, and relevant links and information on how to apply for such benefits.

The Department is also given authorization to establish the time and manner in which students are selected for outreach through “data sharing” agreements. Under Sec. 483(a)(c)(3):

“(3) DATA SHARING.—The Secretary may enter into data sharing agreements with the appropriate Federal or State agencies to conduct outreach regarding, and connect applicants directly with, the means-tested Federal benefit programs described in subsection (a)(2)(B)(ii)(XVII) for which the applicants may be eligible.

Through these two provisions, the Department is authorized to establish data-sharing and outreach agreements with a wide range of federal agencies, including the Departments of Health and Human Services, Agriculture, Treasury, Housing and Urban Development, and with state agencies that administer many federal benefits, to notify students of the types of support for which they might be eligible. To start, the Secretary should swiftly establish such agreements with the U.S. Department of the Treasury to conduct outreach on the EITC during tax filing season, and with the U.S. Department of Health and Human Services on Medicaid and health insurance subsidies under the Affordable Care Act during open enrollment. The Department should also pursue agreements to notify students about the public and tax benefits we have requested be added to the FAFSA.

Finally, we urge the Department to consult with stakeholders about the best timing and methods to complete the notification requirements of HEA Sec. 483(a)(3)(A)(iv) listed above and conduct consumer testing to ensure that students receive, and can act on, the information.

Guidance to states

Lastly, we ask the Department to swiftly publish additional guidance to local and state agencies about how they can use FAFSA data to conduct outreach to students or verify eligibility for benefits. We sincerely appreciate the January 2022 guidance to institutions of higher education, but state agencies (including state student grant agencies) were not mentioned in this guidance.

The January 2022 guidance also needs to be refreshed to mention additional public and tax benefit programs like the ones mentioned in this comment, and to remove programs that have phased out after the COVID-19 public health emergency period (e.g. Economic Impact Payments). With looming efforts by states to conduct widespread outreach on FAFSA completion, it is essential that states also have guidance that could inform complementary efforts on public and tax benefits.

Given the Department's interest in reducing student basic needs insecurity and promoting student success, we hope the above comments are helpful in finalizing a 2024-25 FAFSA that maximizes the benefits for all applicants. Please contact Bryce McKibben at The Hope Center at Temple University at bryce.mckibben@temple.edu with any questions related to this comment.

Thank you for the opportunity to provide feedback and for your work to improve the FAFSA.

Sincerely,

The Hope Center at Temple University
Higher Learning Advocates
Benefits Data Trust
Swipe Out Hunger
Young Invincibles
SchoolHouse Connection
State Higher Education Executive Officers
Center for Law and Social Policy (CLASP)
The Institute for College Access & Success (TICAS)