

# FAFSA Simplification

---

Consolidated Appropriations Act 2021

Amy Staffier  
*Director of Financial Aid  
Simmons University*

# Timeline

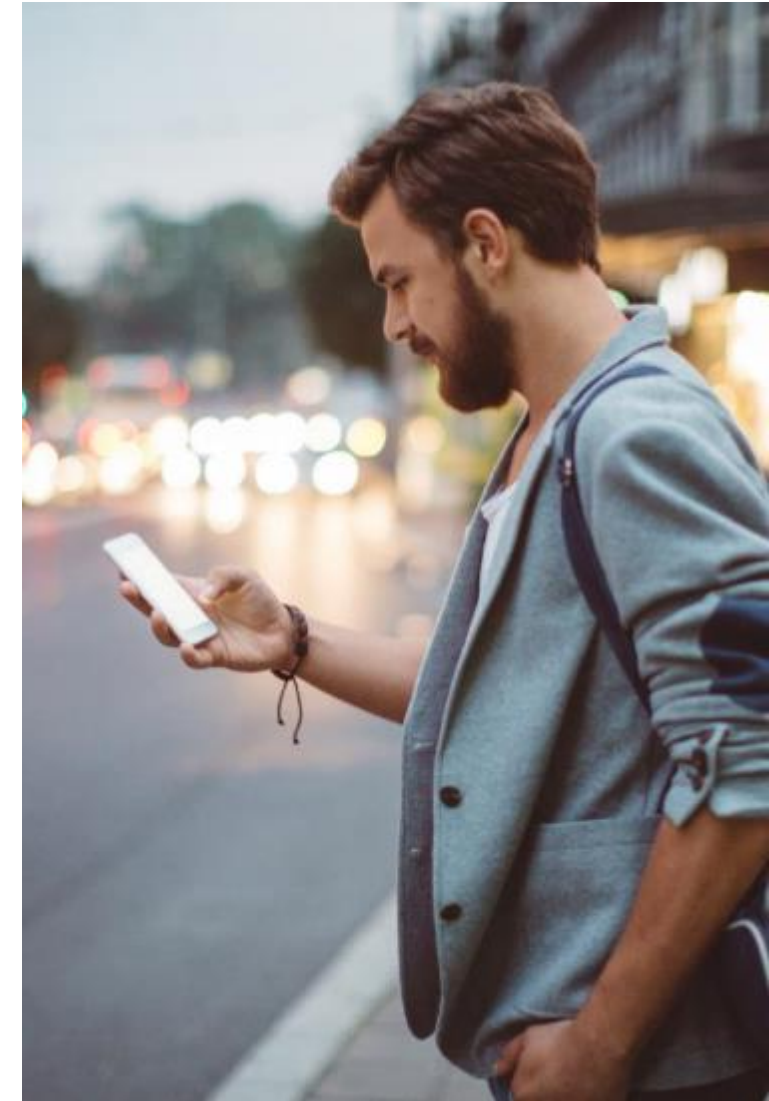
---

On December 27, congress enacted the Consolidated Appropriations Act of 2021 which made **significant changes to the FAFSA and federal needs analysis formula.**

Changes go into effect with the **2023-2024** academic year.

Students will be completing an updated FAFSA (for the 23-34 year) beginning **October 1, 2022.**

The Federal Government, States, as well as Higher Education Institutions all need to put **time, thought, and effort into integrating these changes.**





# FAFSA Simplification



“MAKING IT EASIER TO APPLY FOR FEDERAL AID  
AND MAKING THAT AID PREDICTABLE. “



# Changes to the FAFSA Form

## Beginning with the 2023-2024 Year

- **Are you male?**
  - Male students are no longer required to register with selective service to be eligible for federal aid (question still remains on FAFSA)
- **Drug Convictions**
  - Questions regarding drug offense convictions are eliminated
- **Income information will be limited to data that can be pulled from the IRS**
  - No retirement income
  - Students or parents who do not file will not have to answer income questions
- **Custodial Parent Change**
  - Whoever provided more support
- **Child support will move to assets**
- **Streamline and Simplify Verification**



# Making Aid Predictable

- Students will **preview their eligibility** for the Pell Grant award using new Pell Lookup Tables.
- The bill creates **different formulas** based on the applicant's single-parent or two-parent household status
- Student eligibility for the maximum Pell Grant award **based on their parents income** (or their income), looking at either tax filing status or the national poverty line

## The Federal Pell Grant

The appropriations bill changes how Pell Grant award determinations are made, creating a separate process from other forms of federal need-based aid that is based upon **adjusted gross income and household size**.



# Maximum Pell

---

- If the student, or the student's parent, was not required to file a federal income tax return;
- If the student, or the student's parent, is a single parent and has an adjusted gross income equal to or less than 225 percent of the poverty line;
- If the student, or the student's parent, is not a single parent and has an adjusted gross income equal to or less than 175 percent of the poverty line;
- Students under age 33 whose parent died serving in the armed forces after Sept. 11, 2001; and
- Students under age 33 whose parent died in the line of duty as a public safety officer.



A group of diverse people in a meeting room, smiling and holding up sticky notes. The scene is brightly lit, suggesting a positive and collaborative environment. The people are of various ethnicities and are engaged in a discussion. The sticky notes are in various colors, including pink, blue, and green. The background is slightly blurred, focusing attention on the people in the foreground.

# Needs Analysis Changes

# Determining Need

---

## Student Aid Index (SAI) to replace Expected Family Contribution (EFC)

SAI, defined as

*“an index that reflects an evaluation of a student’s approximate financial resources to contribute toward the student’s postsecondary education for the academic year”*

will replace the EFC defined as

*“ a measure of how much the student, and his or her family, can be expected to contribute to the cost of the student’s education for one year.”*

Different name  
eligibility/need formula remains the same

Cost of Attendance

- SAI

= Financial aid eligibility/Need



# Changes in Calculating SAI

The formula to calculate SAI remains similar to the one to calculate EFC

Noticeable changes to some allowances against income

Students eligible for Maximum Pell will automatically have a \$0 SAI (unless their calculated SAI is less than \$0)

SAI can go as low as \$-1,500 (EFC never went below \$0)

No adjustment to SAI for number in college

# Questions/Discussion