BRYAN STEIL 1st District, Wisconsin Committee on House Administration, Chairman Committee on Financial Services



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Congress of the United States House of Representatives Mashington, DC 20515

February 9, 2024

Richard Cordray Chief Operating Officer U.S. Department of Education – Federal Student Aid 830 First St. NE Washington, DC 20002

Dear Mr. Cordray,

On behalf of many frustrated families in Wisconsin, I write today to express concerns with the repeated delays and confusing announcements related to this year's Free Application for Federal Student Aid (FAFSA). The continuing delays from the Department of Education, on a process that has operated smoothly for years, are causing undue confusion and difficulty for the millions of students currently determining how to fund their education. I ask that you and your agency take every step possible to get the FAFSA process operating smoothly once again.

Sorting through higher education options, applying, awaiting responses, and deciding on a college is a stressful time for many families, especially those with first-generation college students. What college applicants need and deserve is certainty, and until this year, the FAFSA has largely been able to deliver just that. Traditionally, in a process that begins in the fall, college applicants and their families have filled out their FAFSA forms and received a timely response, giving them an idea of what grants and loans are available. Armed with that information, they can make the best decision for their future.

As a former member of the Board of Regents at the University of Wisconsin, I understand the importance of timely processing of FAFSA forms and distributing complete Institutional Student Information Records (ISIRs) to higher education institutions. Historically, this process begins as early as October to give ample opportunity for schools to prepare and students to accept financial aid offers by National College Decision Day on May 1. However, the Department of Education recently announced they will not begin transmitting ISIRs to schools until March. Furthermore, students looking to update and make corrections to their FAFSA forms will be unable to do so until March.¹

Based on the Department of Education's current record, I am concerned that the potential for continued delays remains. On November 15, 2023, the Department announced FAFSA forms would not be available to students until December 31, 2023. In the

¹ <u>https://www.ed.gov/news/press-releases/us-department-education-announces-more-31-million-fafsa-forms-successfully-</u> submitted-and-update-student-aid-index-calculation

same press release, the Department implied legislation intended to simplify and modernize the federal financial student aid application process contributed to the delay.²

As the Committee on Education and Workforce outlined in their letter to Secretary of Education Miguel Cardona late last month, Congress provided a reasonable timeline, including a one-year extension, to the Department to implement the new FAFSA.³ The Department should have prioritized ensuring a smooth rollout of the new changes rather than other politically motivated initiatives, such as its irresponsible student loan bailout plan and "income-driven repayment" workaround.⁴

After a failed "soft launch," where many applicants struggled to access or complete the form⁵, the Department failed to revise its formula for determining financial aid eligibility to account for inflation. This error resulted in a staggering \$1.8 billion shortfall.⁶ Attempts to remedy the issue have led to an additional month-long delay.

As the COO of the Federal Student Aid (FSA) office, it is crucial you take the necessary steps to actualize the promises made in the Department's February 5, 2024 press release.⁷ In your testimony before the Subcommittee on Higher Education and Workforce Development, you stated you and FSA "remain focused on [your] work to deliver a better FAFASA for our millions of applicants."⁸ Now is the time to demonstrate your commitment to our students and ensure the remainder of the 2024-2025 FAFSA rollout continues without delay.

Sincerely,

Bryan Steil Member of Congress

⁸ https://edworkforce.house.gov/uploadedfiles/testimony - hewd - cordray- 5.22.23.pdf.pdf

² https://www.ed.gov/news/press-releases/us-department-education-releases-new-data-highlighting-how-simplifiedstreamlined-and-redesigned-better-fafsa%C2%AE-form-will-help-deliver-maximum-pell-grants-15-million-more-students

³ https://edworkforce.house.gov/uploadedfiles/final_fafsa_letter_foxx_owens_1.30.pdf

⁴ <u>https://www.ed.gov/news/press-releases/biden-harris-administration-announces-nearly-5-billion-additional-student-debt-relief</u>

⁵ https://www.npr.org/2024/01/09/1222664638/fafsa-student-financial-aid-college

⁶ <u>https://www.npr.org/2024/01/23/1226406495/families-colleges-remain-limbo-education-department-promises-fix-fafsa-mistake</u>

⁷ <u>https://www.ed.gov/news/press-releases/us-department-education-deploys-federal-personnel-funding-and-resources-</u> support-colleges-students-and-families-better-fafsa%C2%AE