

October 21, 2024

The Honorable Bernie Sanders
Chairman
Senate Committee on HELP
428 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Bill Cassidy
Ranking Member
Senate Committee on HELP
428 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Virginia Foxx
Chairwoman
Committee on Education & the Workforce
U.S. House of Representatives
2176 Rayburn House Office Building
Washington, DC 20515

The Honorable Bobby Scott
Ranking Member
Committee on Education & the Workforce
U.S. House of Representatives
2101 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Sanders, Chairwoman Foxx, Ranking Member Cassidy, and Ranking Member Scott,

We appreciate the historic improvements made by your respective committees to streamline the federal financial aid process through the Fostering Undergraduate Talent by Unlocking Resources for Education (FUTURE) Act, the Free Application for Federal Student Aid (FAFSA) Simplification Act, and the FAFSA Simplification Technical Corrections Act. These laws will make a difference in everyday students' lives by significantly simplifying the FAFSA application process and providing easier access to critical financial aid for students in need. However, these critical improvements unintentionally created new limitations on the usage of certain financial information collected through the FAFSA. These limitations undermine simplification efforts and eliminate the public's access to existing data. Institutions, states, researchers, policymakers, and other stakeholders can no longer securely access this information to better support students and enact data-driven policies. Moreover, even when data usage is not expressly limited by statute, implementation has led to uncertainty and a chilling effect among institutions, states, and federal agencies. We urge you to take legislative action that restores the allowable uses of financial data from the FAFSA to evaluate programs, conduct research, and provide student support services. These modifications can be made while protecting applicants' privacy and preserving the strides made to simplify the application process.

FAFSA applicants' financial information is necessary for federal, state, and institutional efforts to support student access, affordability, and success. However, certain uses of FAFSA data are no longer possible due to legislative changes. Specifically, institutions and states may not be able to utilize FAFSA applicants' federal tax information (FTI), such as income, to:

- Understand student experiences and outcomes by financial background, target student support, align state aid programs with federal ones, and evaluate programs.
- Anticipate enrollment trends by student income and inform program design and budgets for institutional/state financial aid programs.
- Use information, such as student income, to identify students eligible for federal means-tested benefits programs such as SNAP. This includes conducting outreach to students to inform them of eligibility for these services and sharing data with agencies or organizations that provide services.

Additionally, federally-supported TRIO programs that help students from low-income backgrounds, first-generation college students, and individuals with disabilities progress to and through postsecondary programs can no longer access the data needed to identify students eligible for participation in non-monetary support services and resources based on income status. This disruption could leave students without the federally-funded support they are eligible to receive.

The ability to analyze applicants' financial data from the FAFSA is crucial for creating and maintaining a higher education system that is equitable, accessible, effective, and where students persist and complete. Federally administered postsecondary studies and secure data collections utilize FAFSA data to illustrate average costs for students at different income levels, how students pay for college, and how students' income evolves over time. These important insights are currently at risk:

- The Integrated Postsecondary Education Data System (IPEDS) includes institutions' net prices for students with different family incomes. Current legislation creates barriers to how many campuses typically access, analyze, and provide this information to IPEDS.
- The National Postsecondary Student Aid Study (NPSAS) captures how students with different family incomes pay for college.
- The Beginning Postsecondary Students Longitudinal Study tracks students' income over time as they progress through college.

These sources help federal policymakers develop data-informed solutions and enable field research on college experiences and outcomes.

Financial data from the FAFSA also inform essential consumer tools intended to help students and families compare college costs and, in turn, inform where they apply. The College Scorecard provides transparent information about higher education institutions, including post-college earnings for students with different family incomes. Additionally, state postsecondary and pathway explorer tools, dashboards, and net price calculators help students understand the cost of attendance by providing early, individualized estimates of institutional, state, or federal

financial aid that might be available to them based on factors such as income and dependency status. This information is vital for informed consumer decision-making and is now at risk.

We urge you to enact legislative modifications that restore the allowable uses of financial data on the FAFSA to evaluate and align programs, conduct research, and provide student support services. These modifications can be made while protecting applicants' privacy and preserving the strides made to simplify the application process. Without legislative changes that restore previously permitted uses of FAFSA data, the practices and tools discussed in this letter are imperiled. By preserving data-driven information to drive policy solutions, the higher education community can continue pursuing solutions supporting affordability and success for students from all backgrounds. For more information, please contact Kimberly Jones, President of the Council for Opportunity in Education (kimberlyjones@coenet.org), and Kelly Leon, Vice President of Communications and Government Affairs for the Institute for Higher Education Policy (kleon@ihep.org).

Sincerely,

Asian Americans Advancing Justice | AAJC

Association for Institutional Research

Council for Opportunity in Education (COE)

Clearinghouse on Women's Issues

Data Quality Campaign

EdTrust

Institute for Higher Education Policy (IHEP)

National Association of Independent Colleges and Universities

New America Higher Education Policy Program

Postsecondary Equity & Economics Research (PEER) Center

State Higher Education Executive Officers Association

Student Defense

The Hope Center for Student Basic Needs

Young Invincibles