



CHAIR JODEY ARRINGTON

HOUSE BUDGET COMMITTEE

Biden's Botched Student Aid Rollout: *Education and Workforce Committee Joins in Sounding the Alarm*

WASHINGTON, D.C. – On Wednesday, the [House Committee on Education and Workforce Subcommittee on Higher Education and Workforce Development](#) held a [hearing](#) examining the Biden Administration's continual blunders in the rollout of their new Free Application for Federal Student Aid (FAFSA) process.

In the hearing, subcommittee [Chair Burgess Owens \(R-UT\)](#) and members of the Higher Education and Workforce Development Subcommittee discussed topics long [echoed](#) by the House Budget Committee: **the Biden Administration's botched FAFSA overhaul has failed taxpayers, students, and administrators alike, underscoring the Administration's misplaced higher education priorities.**

BIDEN'S FAILED FAFSA ROLLOUT

The [FAFSA Simplification Act](#) was passed by Congress in 2020 and was intended **to make the student aid application process more accessible** for students and families.

Yet, the Biden Administration has managed to do the exact **opposite**.

After years-long delays, last month, the Department of Education (ED) announced that roughly **200,000** student financial aid records sent to schools **included errors in the data, resulting in lower aid estimates** for those students than they were qualified to receive.

This is on top of several calculation errors the Department has made while rolling out its new form, including:

- Failing to account for [historic inflation](#);
- Introducing a formula error that would have mistakenly expanded Pell Grant eligibility, forcing [Congress to intervene and fix](#) it;



- and inadvertently creating a [glitch that prevented students](#) in mixed-citizenship status families from filling out the form, an issue that took months to address and still hasn't been completely fixed.

The Office of Federal Student Aid received more than **\$2 billion** in taxpayer dollars last year. Yet, the Biden Administration has requested an **additional \$625 million** added to the Office of Federal Student Aid's budget.

Without accountability, ED's blunders threaten to damage students, families, and higher education institutions alike.

UNDERSCORING MISPLACED PRIORITIES

The Biden Administration is more concerned with [forgiving hundreds of billions of dollars' worth of student debt](#) than ensuring millions of students are receiving timely and accurate estimates regarding their financial aid.

In just three years, the Biden Administration has attempted to spend an unprecedented **\$1 trillion** on loan "forgiveness" in a clear circumvention of Congress.

And just this week, President Biden announced a new student loan bailout scheme. Independent analysis from the [Penn Wharton Budget Model](#) (PWBM) estimates this latest plan could cost taxpayers **\$84 billion** over the next decade. According to PWBM, "about **750,000 households** making over **\$312,000 in average household income.**"

President Biden's **FY 2025 budget proposal doubles down on these student loan bailouts**, requesting **\$290.3 billion** to "reduce the cost of and expand access to postsecondary education, and training," including \$90 billion for "free community college."

In stark contrast, the [House Budget Committee's FY 2025 "Reverse the Curse" Budget Resolution](#) **ends current and future student loan bailouts**, ensuring ED **focuses its time and resources on necessary programs**, not President Biden's vote-buying scheme.



WHAT THEY ARE SAYING



Click [HERE](#) to watch the full hearing.

In the [hearing](#), Chair Owens stated, *“These failures will not just impact taxpayers, who always pay the cost for bureaucratic dysfunction. Institutions could see an estimated 20 percent drop in enrollment this fall. Low-income students who require access to aid are going to be the hardest hit.”*

Rachelle Feldman, Vice Provost of Enrollment of the University of North Carolina Chapel Hill stated, *“We feel like we are flying blind without a clear path, and we have not released a single aid offer despite releasing admissions.”*

Justin S. Draeger, President and CEO of the National Association of Student Financial Aid Administrators, stated, *“Already six months delayed; we have a FAFSA that is still not fully functioning, not delivering correct applicant data to schools, and putting the futures of untold numbers of students at risk.”*

THE BOTTOM LINE

The House Budget Committee [continues to support](#) and work with the House Committee on Education and the Workforce to **sound the alarm on the Biden Administration’s reckless handling of hard-earned taxpayer dollars.**

Click [HERE](#) and [HERE](#) to read more about President Biden’s FAFSA fumbles.

Click [HERE](#) for House Budget Committee Chairman Jodey Arrington’s statement on the President’s student loan scheme.

Click [HERE](#) to access Chairman Arrington’s letter with Chairwoman Foxx demanding more transparency from ED regarding the cost of new student loan bailouts.

