

FAFSA Fumbles: Biden's *Failed* Rewrite of Student Aid Programs

The Biden administration's rollout of the new Free Application for Federal Student Aid (FAFSA) **keeps getting rockier**.

Last Friday, the Department of Education announced that roughly <u>200,000 student</u> <u>financial aid records</u> sent to schools included errors in the data, <u>resulting in lower</u> <u>aid estimates for those students than they were qualified to receive</u>.

The issue comes after several delays in FAFSA processing wreaked havoc on the college admissions cycle, <u>forcing many institutions to push back their commitment</u> deadlines.

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 <u>Congress to intervene and fix it</u>;
- and inadvertently creating a <u>glitch that prevented students</u> 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 Wall Street Journal's Editorial Board <u>highlighted</u> how FAFSA's troubled rollout reveals the administration's misplaced higher education priorities.





Via Wall Street Journal:

- "The incompetence is hard to believe...Colleges have already pushed back deadlines for students to accept admissions offers to mid-June so they have more time to compare financial-aid awards. Now deadlines may have to be extended again."
- "The new FAFSA was supposed to make college more accessible. But only 32.5% of high school seniors had submitted a FAFSA form by March 15, compared to 47.5% at the same time last year. Applications by students who attended low-income high schools were down 38.6%."
- "Blame the fiasco on federal student aid chief Richard Cordray, who has prioritized cancelling some \$144 billion in student loans. Last month he called this year's FAFSA a "better process." Meantime, he has dunned federal student loan servicers for the government's chaotic restart of payments after a three-and-a-half-year pandemic pause. He has yet to apologize for any of this. If Mr. Cordray were a CEO, he'd have been sacked long ago, but in government no one is ever held accountable."

THE BOTTOM LINE

The Biden administration is more concerned with <u>forgiving hundreds of billions of dollars' worth of student debt</u> than ensuring millions of students are receiving timely and accurate estimates regarding their financial aid.

President's **FY25 budget proposal doubles down on his failed education policies and falls short of solving the problems he created**:

- The administration <u>requested a \$625 million increase</u> over 2023 enacted levels for the Office of Federal Student Aid to "ensure the successful administration of its financial aid programs, including the (FAFSA), through a simplified and streamlined process for students and borrowers."
- Meanwhile, the President's budget asks for \$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 <u>House Budget Committee's FY 2025</u> "Reverse the Curse" budget resolution ends current and future student loan bailouts, ensuring the Department of Education <u>focuses its time and resources on necessary programs</u>, not President Biden's vote buying scheme.