

NATIONAL STUDENT AID PROFILE: OVERVIEW OF 2025 FEDERAL PROGRAMS



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Overview

The National Association of Student Financial Aid Administrators' (NASFAA) National Student Aid Profile is an annual publication designed to give a high-level overview of the federal student financial aid programs that provide funding to millions of students each year.

In this profile, you will find an overview of:

- The Federal Pell Grant Program
- The Federal Supplemental Educational Opportunity Grant (FSEOG) Program
- The Federal Work-Study Program
- The Federal Direct Subsidized and Unsubsidized Loan Programs
- The Federal Direct PLUS Loan Program

For each program, in addition to a basic description, you will find the most up-to-date data and information on the:

- Number of Recipients
- Total Volume of Awards
- Federal Funding Levels
- Distribution by Family Income

In addition, we provide an appropriations update on Title IV program funding for the 2025-26 award year.

Due to the impacts of the coronavirus pandemic (COVID-19), the U.S. Department of Education (ED) took action to mitigate the negative economic effects on federal student loan borrowers by providing a number of flexibilities. These temporary flexibilities included a suspension of loan payments and interest accrual, and a halt to collections on defaulted loans. Interest on federal student loans began to accrue on Sept. 1, 2023, and student loan borrowers resumed making monthly payments in October 2023. In order to promote borrower success, ED provided a 12-month on-ramp back into repayment through Sept. 30, 2024. During this period, interest continued to accrue but borrowers were not reported as delinquent if they missed a payment, and their loans did not go into default. In addition, ongoing litigation around the Saving on a Valuable Education (SAVE) student loan repayment plan created uncertainty for some borrowers and may have affected the return to repayment process. As of August 2025, nearly 8 million SAVE plan borrowers remain in a forbearance status, which may skew early data on repayment trends and borrower outcomes. The overall impacts of the COVID-19 pandemic on student loan borrowing, repayment, and other aspects of federal student aid may not be known for several years. NASFAA will continue to update our National Student Aid Profile with new data as it is released annually to help further inform the community.

If you have any questions or would like more information, you may reach out to NASFAA's Policy & Federal Relations staff at policy@nasfaa.org or 202-785-0453.

Table 1. Summary Descriptions of the Major Federal Student Aid Programs

Program Name	Program Description	Number of Recipients and Average Awards	Volume 2023-24
Federal Pell Grant	Provides grants to low-income undergraduates who have not yet earned a first bachelor's degree with the greatest demonstrated financial need. The 2024-25 maximum award was \$7,395 and the minimum award amount for a full-time student was \$740. For 2025-26, the maximum award is \$7,395 and the minimum award amount for a full-time student is \$740.	Approximately 6.5 million recipients in 2023-24. The average award was \$4,818. Just over 75% of recipients had family incomes of less than \$40,000.	The total federal volume for Pell Grants was \$31.5 billion.
Federal Supplemental Educational Opportunity Grant (FSEOG)	Provides grants to low-income undergraduates with the greatest demonstrated financial need. Maximum award is \$4,000; minimum award is \$100. Priority must be given to students who receive federal Pell Grants, and FSEOG must be offered first to students who have the lowest expected family contributions. At least 25% of FSEOG dollars must come from institutional resources.	Approximately 1.4 million recipients in 2022-23. The average award was \$801. Just over 64% of dependent recipients came from families with an income of less than \$30,000.	The total federal volume was \$1.1 billion.
Federal Work-Study (FWS)	Provides part-time jobs to financially needy undergraduate and graduate/professional students. Jobs must, to the extent possible, be related to students' academic or career goals. Institutions must generally contribute at least 25% of wages paid.	Approximately 419,932 recipients in 2022-23. The average award was \$2,267. Of dependent undergraduate recipients, roughly 42% had family incomes below \$42,000.	The total federal volume was \$952 million.

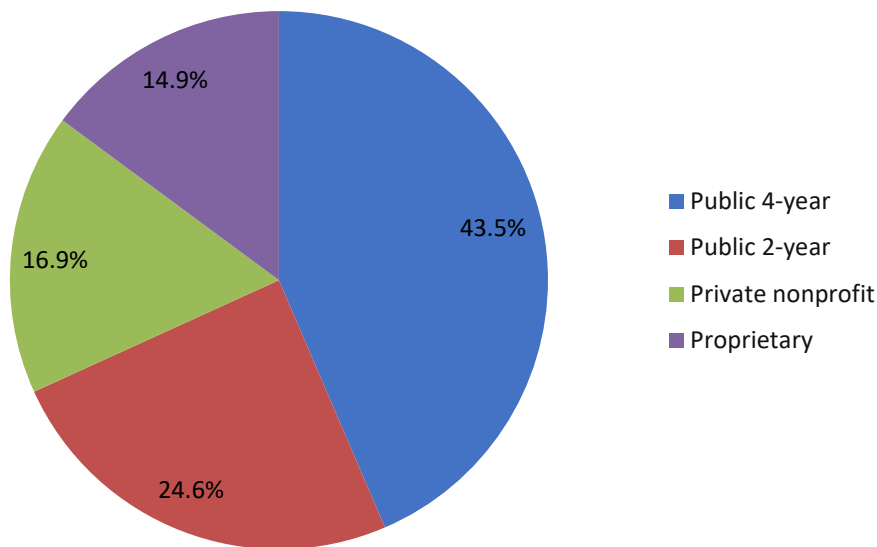
Table 1. Summary Descriptions of the Major Federal Student Aid Programs (continued)

Program Name	Program Description	Number of Recipients and Average Awards	Volume 2023-24
Federal Direct Subsidized Loan	Provides low-interest loans to financially needy undergraduate students. Interest on the loans is paid by the government while borrowers are in school, in the grace period, and during deferment. Borrowing is subject to annual and aggregate loan limits. Borrowers begin repaying loans six months after ceasing at least half-time enrollment in postsecondary education, unless the borrower qualifies for deferment. Cancellation of loans is available for employment in certain designated fields, under certain conditions.	Approximately 4.2 million borrowers in 2023-24. Average loan of \$3,759.	The total loan volume was \$15.7 billion.
Federal Direct Unsubsidized Loan	Provides low-interest loans to undergraduate and graduate/professional students. Loans are provided regardless of a borrower's income or financial need, as long as total aid does not exceed cost of attendance. Recipients are charged interest on the loans at all times. Borrowing is subject to annual and aggregate loan limits; limits are higher for independent students. Unless borrowers qualify for deferment, loan repayment begins six months after they cease at least half-time enrollment in postsecondary education. Cancellation of loans is available for borrowers employed in designated fields, under certain conditions.	Approximately 5.6 million borrowers in 2023-24. Average loan of \$4,136 for undergraduate students and \$19,313 for graduate students.	The total loan volume was \$43.8 billion.
Federal Direct PLUS Loan	Provides loans to (1) the parents of dependent undergraduates, as defined by the Higher Education Act, and (2) graduate and professional students. Borrowers may obtain loans up to the full amount of the cost of education, minus any aid students receive from other sources. Loans are provided regardless of income, but borrowers must pass a credit check or obtain an endorser.	Approximately 612,814 parent borrowers in 2023-24. Average loan of \$19,733. In the same award year, an estimated 444,452 graduate/professional students borrowed an average of \$31,719 in Grad PLUS loans.	PLUS borrowers (parents and graduate/professional students) received \$26.2 billion.

The Federal Pell Grant Program

Program Description. The federal Pell Grant program is the “foundational” federal student aid program. The program provides grants to financially needy undergraduate students who have not yet earned their first bachelor’s degree to help pay the costs of attending a postsecondary institution. (In very limited circumstances, post-baccalaureate students in teacher education programs may also qualify for Pell Grants.) Schools must determine a student’s federal Pell Grant eligibility before calculating eligibility for other federal student aid programs. During the annual congressional appropriations process, the minimum and maximum Pell Grant award levels are established for the upcoming award year. In award year 2024-25, grants ranged from \$740 to \$7,395. In award year 2025-26, grants will range from \$740 to \$7,395. The amounts students receive are based on their educational costs and the family’s ability to contribute to college costs. View the appendix to see data on the Federal Pell Grant program disaggregated by state.

Figure 1. Distribution of Pell Grant Recipients by Type of Institution, Award Year 2022-23



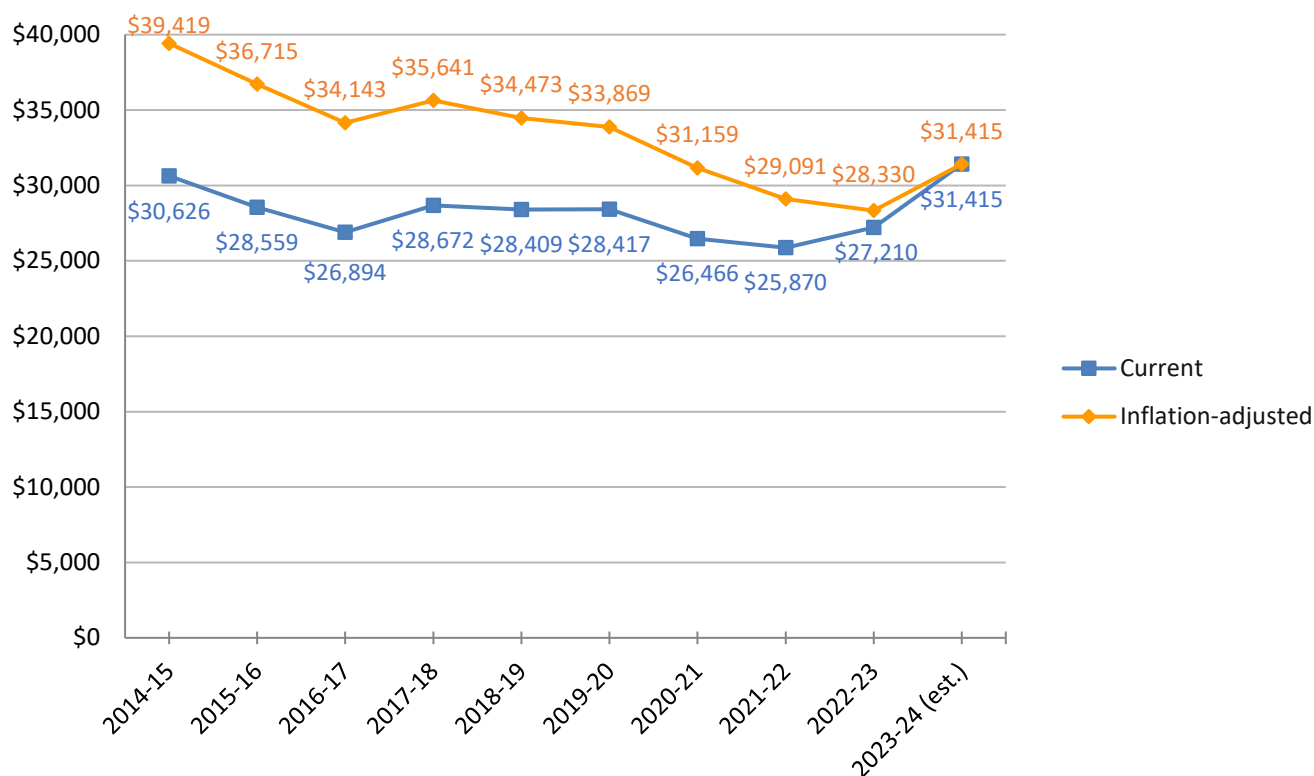
Source: U.S. Department of Education, Federal Pell Grant Program End-of-Year Report, 2022-23.

Table 2. Number and Distribution of Pell Grant Recipients by Family Income Level, Award Year 2022-23

Family Income Level	Number	Percentage
\$6,000 or less	1,159,442	19%
\$6,001 to \$15,000	865,575	14%
\$15,001 to \$20,000	579,849	10%
\$20,001 to \$30,000	1,081,801	18%
\$30,001 to \$40,000	795,710	13%
\$40,001 to \$50,000	601,014	10%
\$50,001 to \$60,000	425,137	7%
\$60,001 and over	524,446	9%
Total	6,032,974	100%

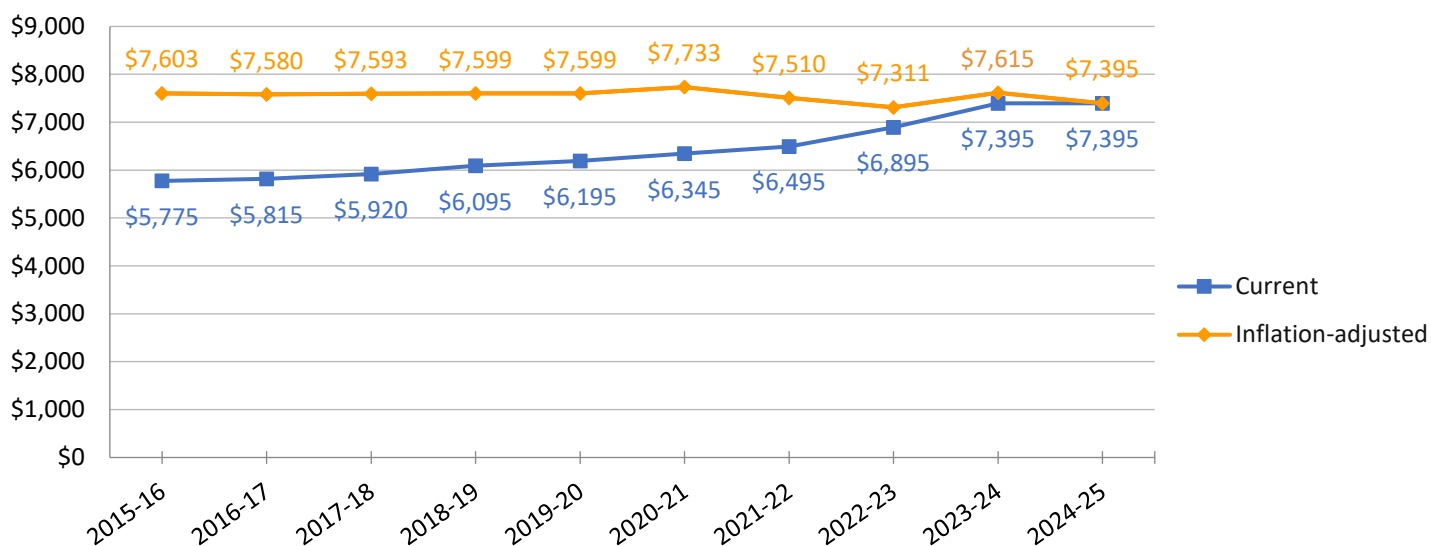
Source: U.S. Department of Education, Federal Pell Grant Program End-of-Year Report, 2022-23.

Figure 2: Federal Pell Grant Expenditures in Current and Inflation-Adjusted Dollars (in millions), 2014-15 to 2023-24



Source: The College Board, Trends in Student Aid, 2024.

Figure 3: Maximum Pell Grant Award in Current and Inflation-Adjusted Dollars, 2015-16 to 2024-25



Source: U.S. Department of Education, Federal Pell Grant Program End-of-Year Report, 2022-2023; FSA data from website, 2025. Inflation-adjusted to 2024 dollars calculated by NASFAA, using the Consumer Price Index (CPI-U) for the July beginning of the academic year.

Campus-Based Aid Programs

The U.S. Department of Education (ED) requires schools to contribute a portion of the funding for campus-based aid programs, but financial aid administrators at each participating postsecondary institution must use federal program guidelines to determine which students will receive awards and how much they will receive. These programs include the Federal Supplemental Educational Opportunity Grant program and the Federal Work-Study program.

The Federal Supplemental Educational Opportunity Grant Program

Program Description. The Federal Supplemental Educational Opportunity Grant (FSEOG) program provides grants to financially needy undergraduates at postsecondary institutions. Financial assistance from the FSEOG program generally supplements the aid students receive from other sources. Students must have “exceptional” financial need to receive FSEOG awards. Schools must give priority to students who receive federal Pell Grants, and awards must first be made to students with exceptional need. It should be noted that institutions may, but are not required to, treat all negative Student Aid Indexes (SAI) — the number used to calculate financial need for federal student aid — (down to -1500) as equal to an SAI of zero in their selection criteria. Alternatively, institutions may elect to use negative SAIs to further distinguish among students with the greatest financial need. The minimum FSEOG award is \$100, and the maximum is \$4,000. Institutions that participate in the program receive federal allocations to distribute awards. These institutions must match their federal allocations with funds from their own resources, so that no more than 75% of FSEOG awards represent the federal share. View the appendix to see data on the FSEOG program broken down by state.

**Effective with the 2024-25 aid year, the Student Aid Index (SAI), replaced the Estimated Family Contribution (EFC). All 2025 profile data reflecting aid years prior to the 2024-25 aid year use the EFC.*

Table 3a. Number of Dependent Undergraduates Who Received Federal Supplemental Educational Opportunity Grants by Family Income Level, Award Year 2022-23

Family Income Level	Recipients	Recipients Percentage	Total FSEOG Dollars *	Dollars Percentage	Average FSEOG Award
Less than \$6,000	140,037	15.3%	\$130,201,624	14.4%	\$930
\$6,000 to \$11,999	73,637	8%	\$69,392,220	7.7%	\$942
\$12,000 to \$23,999	234,734	25.6%	\$222,353,137	24.6%	\$947
\$24,000 to \$29,999	123,265	13.5%	\$118,963,459	13.2%	\$965
\$30,000 to \$41,999	169,149	18.5%	\$169,555,654	18.8%	\$1,002
\$42,000 to \$59,999	118,422	12.9%	\$126,243,638	14%	\$1,066
\$60,000 and over	56,671	6.2%	\$66,193,953	7.3%	\$1,211
Total*	915,915	100.0%	\$902,903,685	100.0%	\$1,009

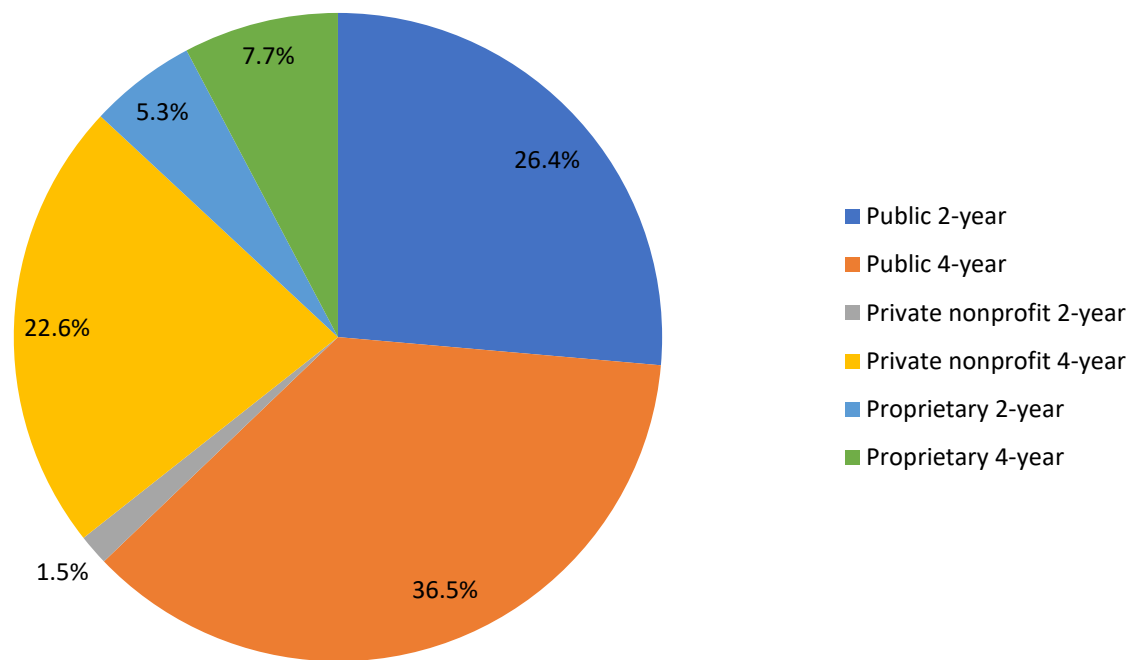
Table 3b. Number of Independent Undergraduates Who Received Federal Supplemental Educational Opportunity Grants by Family Income Level, Award Year 2022-23

Family Income Level	Recipients	Recipients Percentage	Total FSEOG Dollars *	Dollars Percentage	Average FSEOG Award
Less than \$2,000	193,099	24.1%	\$129,483,086	26.4%	\$671
\$2,000 to \$3,999	46,251	5.8%	\$26,701,181	5.5%	\$577
\$4,000 to \$7,999	76,241	9.5%	\$51,147,565	10.4%	\$671
\$8,000 to \$11,999	87,468	10.9%	\$56,197,560	11.5%	\$642
\$12,000 to \$15,999	56,378	7%	\$33,691,834	6.9%	\$598
\$16,000 to \$19,999	53,047	6.6%	\$30,560,235	6.2%	\$576
\$20,000 and over	287,481	36%	\$161,996,831	33.1%	\$567
Total*	799,965	100.0%	\$489,778,292	100.0%	\$612

*Total dollar amounts include federal funds and institutional matching funds.

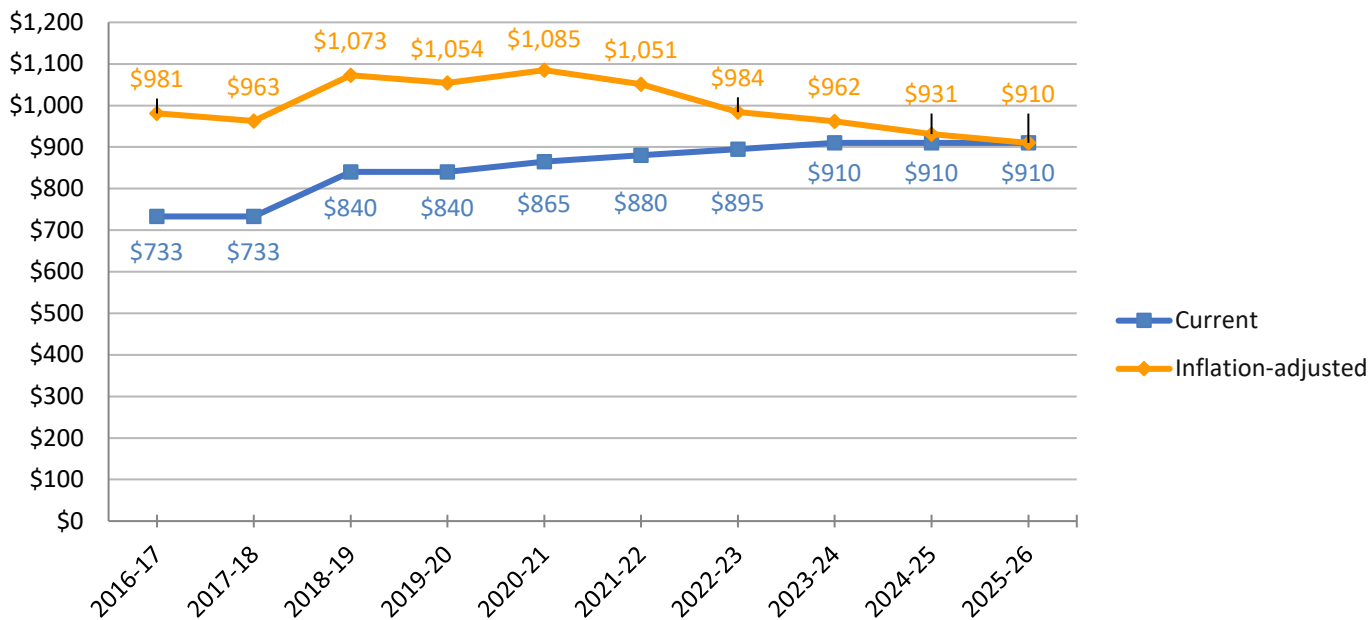
Source for Tables 3a and 3b: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2024.

Figure 4. Distribution of Federal Supplemental Educational Opportunity Grant Recipients by Type of Institution, Award Year 2022-23



Source: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2024.

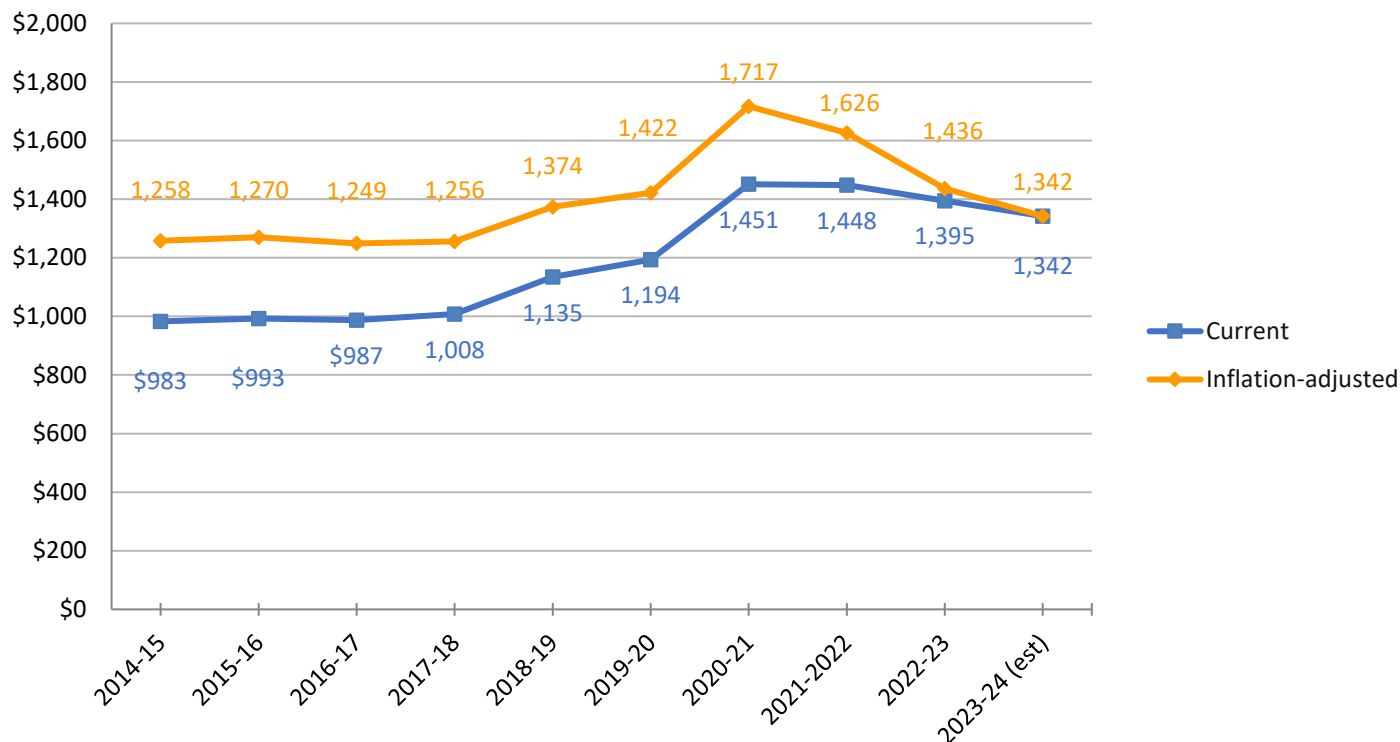
Figure 5a. Federal Appropriations for the Federal Supplemental Educational Opportunity Grant Program in Current and Inflation-Adjusted Dollars (in millions), 2016-17 to 2025-26



Note: Does not include institutional matching funds.

Source: NASFAA, "National Student Aid Profile 2024"; Federal Student Aid, "2025-26 Final Funding Authorizations for the Campus-Based Programs (Updated April 10, 2025)."

Figure 5b. Federal Supplemental Educational Opportunity Grant Program Volume in Current and Inflation-Adjusted Dollars (in millions), 2014-15 to 2023-24



Note: The HEA permits institutions to transfer up to 25% of its Federal Work-Study (FWS) funds to the FSEOG program. The CARES Act, The CRRSA Act and the ARP Act, the major legislations enacted during the COVID-19 national emergency that created the HEERF funding streams, all permitted institutions to transfer 100% of unexpended FWS to FSEOG during the pandemic. This impacted a portion of award year 2019-20, all of 2020-21 and 2021-22, as well as a portion of 2022-23, and likely caused the increase in FSEOG volume in those years.

**Total dollar amounts include federal funds and institutional matching funds.

Source: U.S. Department of Education, *Federal Campus-Based Programs Data Book*, 2024.

The Federal Work-Study Program

Program Description. The Federal Work-Study (FWS) program provides part-time jobs to undergraduate, graduate, and professional students at postsecondary institutions. Generally, aid from the FWS program supplements the assistance students receive from federal Pell Grants and other sources. The FWS program is a need-based program; that is, recipients must have demonstrated financial need to be awarded FWS.

For most FWS jobs, the federal program funds are used to pay 75% of the students' wages. The remaining 25% is provided by the institution or the students' employers. (Private for-profit businesses that employ FWS recipients must pay at least 50% of students' wages from their own resources.) A lower non-federal share is permitted under specific limited conditions. View the appendix to see data on the FWS program disaggregated by state.

Table 4a. Number of Dependent Undergraduates Who Received Federal Work-Study Awards by Family Income Level, Award Year 2022-23

Family Income Level	Recipients	Recipients Percentage	Total FWS Dollars*	Dollars Percentage	Average FWS Award
Less than \$6,000	23,872	6.7%	\$47,932,242	6.8%	\$2,008
\$6,000 to \$11,999	11,865	3.3%	\$26,101,436	3.7%	\$2,200
\$12,000 to \$23,999	37,586	10.5%	\$81,101,460	11.6%	\$2,158
\$24,000 to \$29,999	22,994	6.4%	\$46,397,910	6.6%	\$2,018
\$30,000 to \$41,999	44,783	12.5%	\$90,804,964	13%	\$2,028
\$42,000 to \$59,999	58,922	16.4%	\$119,257,205	17.1%	\$2,024
\$60,000 and over	158,537	44.2%	\$286,973,432	41.1%	\$1,833
Total*	358,559	100.0%	\$698,568,649	100.0%	\$2,038

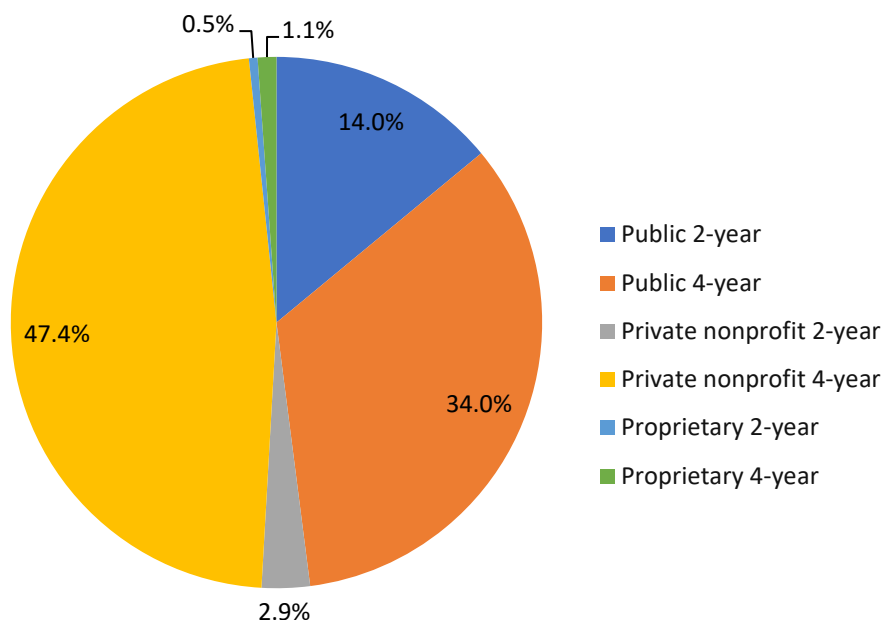
Table 4b. Number of Independent Undergraduates Who Received Federal Work-Study Awards by Family Income Level, Award Year 2022-23

Family Income Level	Recipients	Recipients Percentage	Total FWS Dollars*	Dollars Percentage	Average FWS Award
Less than \$2,000	15,400	27.5%	\$35,203,597	26.9%	\$2,286
\$2,000 to \$3,999	3,687	6.6%	\$8,756,896	6.7%	\$2,375
\$4,000 to \$7,999	6,778	12.1%	\$15,066,128	11.5%	\$2,223
\$8,000 to \$11,999	6,304	11.3%	\$14,386,755	11%	\$2,282
\$12,000 to \$15,999	5,446	9.7%	\$12,151,627	9.3%	\$2,231
\$16,000 to \$19,999	3,629	6.5%	\$9,326,224	7.1%	\$2,570
\$20,000 and over	14,685	26.3%	\$35,858,606	27.4%	\$2,528
Total*	55,929	100.0%	\$130,749,833	100.0%	\$2,338

*Total dollar amounts include federal funds and institutional matching funds.

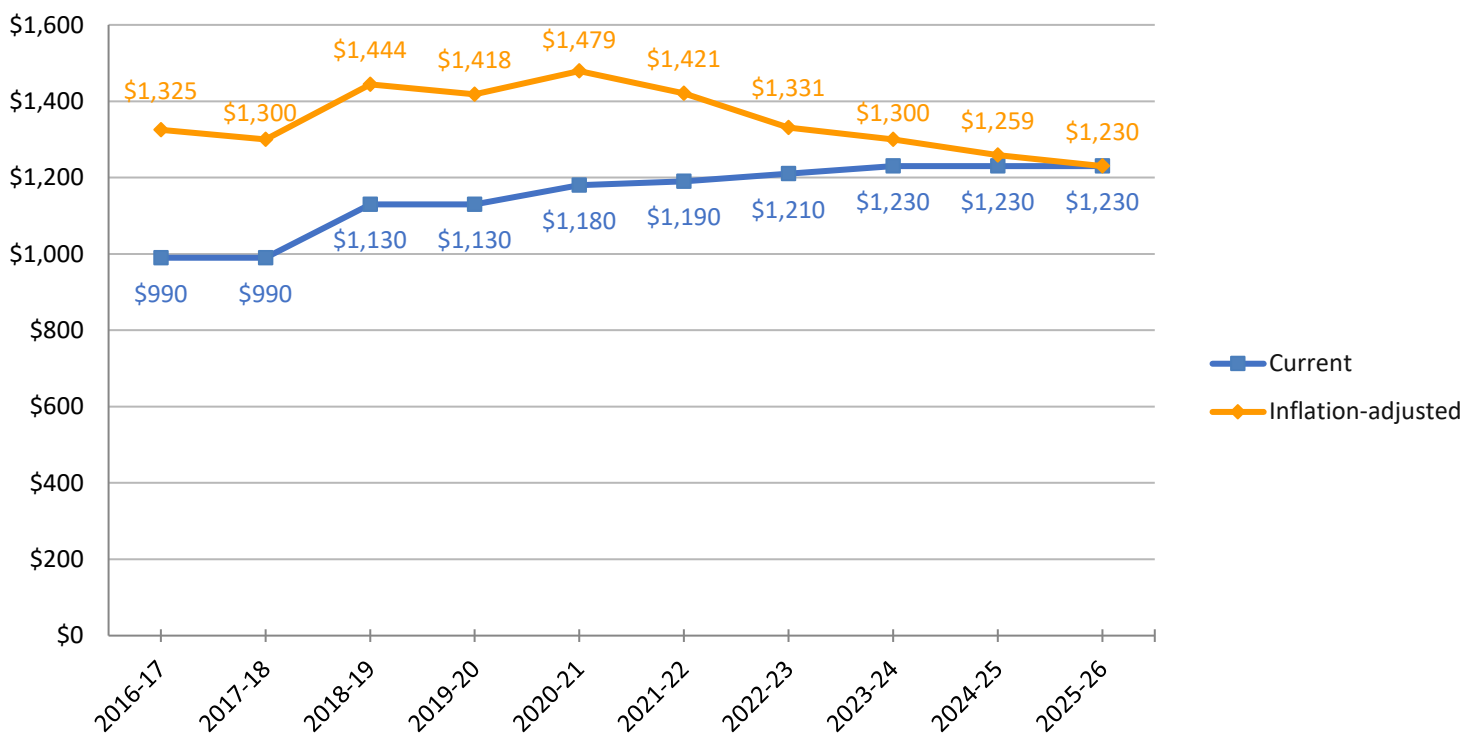
Source for Tables 4a and 4b: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2024.

Figure 6. Distribution of Federal Work-Study Recipients by Type of Institution, Award Year 2022-23



Source: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2024.

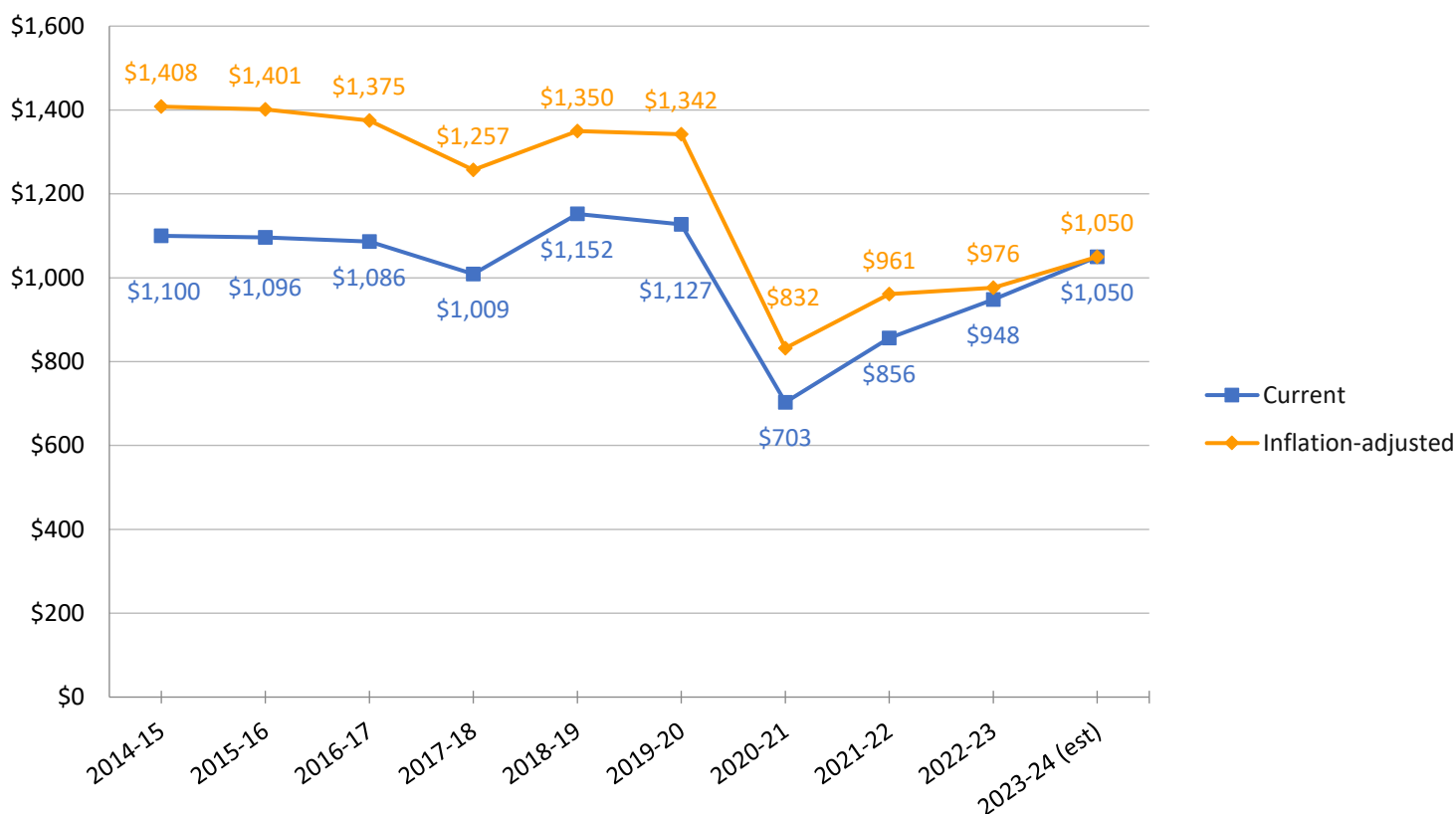
Figure 7a. Federal Appropriations for the Federal Work-Study Program in Current and Inflation-Adjusted Dollars (in millions), 2016-17 to 2025-26



Note: Does not include non-federal matching funds.

Source: NASFAA, "National Student Aid Profile 2024"; *Federal Student Aid*, "2025-26 Final Funding Authorizations for the Campus-Based Programs (Updated April 10, 2025)."

Figure 7b. Federal Work-Study Program Volume in Current and Inflation-Adjusted Dollars (in millions), 2014-15 to 2023-24



Note: The HEA permits institutions to transfer up to 25% of its Federal Work-Study (FWS) funds to the FSEOG program. The CARES Act, the CRRSA Act, and the ARP Act, the major legislations enacted during the COVID-19 national emergency that created the HEERF funding streams, all permitted institutions to transfer 100% of unexpended FWS to FSEOG during the pandemic. This impacted a portion of award year 2019-20, all of 2020-21 and 2021-22, as well as a portion of 2022-23, and is likely responsible for the lower FWS volume in those years.

**Total dollar amounts include federal funds and institutional matching funds.

Source: U.S. Department of Education, *Federal Campus-Based Programs Data Book*, 2024.

The following table lists 2024-25 federal allocations for FSEOG and FWS by state. Approved allocations for FSEOG total \$903,338,207 for 3,399 schools, with FWS obligated funds totaling \$1,211,634,298 for 2,951 schools. These programs operate in all 50 states, the District of Columbia, and six U.S. territories. The five states with the largest total FSEOG and FWS award amounts include California, Texas, New York, Florida, and Pennsylvania.

Table 5. Supplemental Educational Opportunity Grant and Federal Work-Study Obligated Funds by State, Federal Award Year 2024-25

State	FSEOG		FWS	
	Participating Institutions	Allocation	Participating Institutions	Allocation
Alabama	54	\$12,832,401	51	\$17,159,259
Alaska	8	\$1,066,267	7	\$750,270
American Samoa	1	\$100,091	1	\$85,717
Arizona	45	\$33,327,791	33	\$22,725,918
Arkansas	46	\$5,925,080	44	\$7,961,715
California	382	\$115,554,504	323	\$149,939,853
Colorado	51	\$14,217,906	46	\$17,018,537
Connecticut	29	\$13,403,707	26	\$16,792,081
Delaware	8	\$1,940,172	7	\$1,968,798
District Of Columbia	12	\$8,235,093	10	\$12,536,827
Florida	145	\$49,504,174	98	\$60,787,442
Georgia	88	\$23,743,980	84	\$30,566,530
Guam	3	\$218,388	3	\$525,765
Hawaii	15	\$1,904,223	13	\$2,561,367
Idaho	11	\$2,550,741	10	\$3,221,680
Illinois	131	\$35,321,145	121	\$51,849,834
Indiana	60	\$19,123,085	52	\$23,153,048
Iowa	59	\$8,291,356	50	\$11,703,197
Kansas	52	\$6,156,961	54	\$9,669,470
Kentucky	53	\$11,057,039	49	\$16,990,700
Louisiana	51	\$10,623,696	39	\$17,305,720
Maine	26	\$7,176,715	24	\$8,543,143
Maryland	53	\$14,398,715	46	\$18,986,203
Massachusetts	97	\$28,356,401	88	\$49,174,388
Michigan	79	\$24,013,473	73	\$32,886,681
Minnesota	70	\$18,969,298	69	\$21,508,088
Mississippi	31	\$8,965,982	30	\$12,506,223
Missouri	73	\$13,270,699	67	\$21,109,537
Montana	21	\$1,524,833	21	\$3,159,034
Nebraska	30	\$5,102,932	28	\$6,882,846

State	FSEOG		FWS	
	Participating Institutions	Allocation	Participating Institutions	Allocation
Nevada	11	\$3,804,771	9	\$5,619,968
New Hampshire	18	\$14,098,398	17	\$7,512,253
New Jersey	87	\$19,863,172	51	\$24,058,043
New Mexico	24	\$4,655,823	22	\$7,065,787
New York	253	\$61,521,551	199	\$109,258,737
North Carolina	119	\$23,211,165	117	\$33,130,018
North Dakota	18	\$2,694,818	18	\$3,200,297
Northern Mariana Is.	1	\$108,159	1	\$88,787
Ohio	125	\$25,628,352	100	\$36,657,372
Oklahoma	53	\$8,949,932	41	\$13,529,454
Oregon	47	\$10,120,868	42	\$14,054,053
Palau	1	\$38,222	1	\$127,850
Pennsylvania	158	\$36,672,336	131	\$59,043,631
Puerto Rico	77	\$14,148,511	67	\$18,220,674
Rhode Island	12	\$5,286,886	12	\$7,920,143
South Carolina	58	\$12,665,647	56	\$15,216,678
South Dakota	19	\$2,668,372	17	\$3,867,048
Tennessee	83	\$15,753,202	74	\$23,593,116
Texas	181	\$65,458,532	164	\$80,145,061
Utah	17	\$15,412,050	15	\$6,897,448
Vermont	12	\$4,590,177	11	\$5,177,646
Virgin Islands	1	\$69,191	1	\$85,594
Virginia	78	\$21,860,463	69	\$39,190,939
Washington	64	\$14,320,958	59	\$19,794,163
West Virginia	33	\$4,346,243	29	\$5,795,846
Wisconsin	56	\$17,565,116	52	\$21,400,427
Wyoming	9	\$948,444	9	\$953,394
Totals	3,399	\$903,338,207	2,951	\$1,211,634,298

Source: U.S. Department of Education, Notification of Campus-Based Funding for the 2024-25 Award Year.

The Federal Family Education Loan Program and the William D. Ford Direct Student Loan Program

Program Description. Before July 1, 2010, Title IV of the Higher Education Act (HEA) authorized two programs for distributing loans to students and parents of dependent undergraduate students. While the terms of the loans ran parallel between the two programs, the difference was the funding source. The Federal Family Education Loan (FFEL) program, formerly known as the Guaranteed Student Loan program, utilized private and nonprofit sector funding under a system of federal guarantees and support. The FFEL program ceased operations in July 2010 (other than the collection and servicing of outstanding loans) in favor of maintaining just one loan program, the William D. Ford Direct Student Loan program, which is federally funded and administered by ED. The Direct Loan program continues to provide low-interest loans to undergraduate and graduate/professional students and parents of dependent undergraduate students to help pay the costs of attending postsecondary institutions. Loans are “entitlements,” which means that all eligible and qualified borrowers may receive the program funds and benefits, but borrowers are subject to annual and aggregate limits.

The Direct Loan program is an umbrella for four loans made for undergraduate and graduate study (as was the FFEL program):

- Federal Direct Subsidized Loans (also referred to as Subsidized Stafford Loans)
- Federal Direct Unsubsidized Loans (also referred to as Unsubsidized Stafford Loans)
- Federal Direct PLUS Loans, which are made to parents of dependent students and to graduate and professional students
- Consolidation Loans, a repayment option rather than a loan made for attendance at an institution

Borrowers of Federal Direct Loans pay an origination fee on every new loan disbursed. Established in statute, for Federal Direct Subsidized and Unsubsidized Loans, the origination fee is 1%, and for Federal Direct PLUS Loans the fee is 4%. Under sequestration imposed in the Budget Control Act of 2011, origination fees are increased annually based on the mandatory adjustment percentage provided by the Office of Management and Budget. The sequester-required changes for fiscal year 2026 are equal to those of fiscal year 2025, resulting in the same origination fees for loans and grants disbursed between Oct. 1, 2024-Sept. 30, 2025, and Oct. 1, 2025-Sept. 30, 2026.

Loans First Disbursed	Federal Direct Subsidized and Unsubsidized Loans	Federal Direct PLUS Loans
Oct. 1, 2019 to Sept. 30, 2020	1.057%	1.059%
Oct. 1, 2020 to Sept. 30, 2026	4.228%	4.236%

Interest rate structures have varied greatly over the years — sometimes variable with a maximum cap, sometimes fixed. As written in the Bipartisan Student Loan Certainty Act of 2013, all Direct Loans, except for Direct Consolidation Loans, with a first disbursement date on or after July 1, 2013, have variable fixed, market-based interest rates. Interest rates for new Direct Loans will change every July 1 based on market rates and then remain fixed for the life of that loan. All interest rates will apply to loans disbursed on or after July 1 of a given year through June 30 of the following year only. This law also provides protection to consumers from market spikes by placing rate caps of:

- 8.25% on Federal Direct Subsidized Loans and Federal Direct Unsubsidized Loans for undergraduate students
- 9.5% for Federal Direct Unsubsidized Loans for graduate/professional students
- 10.5% for Parent/Graduate Federal Direct PLUS Loans

ED calculates the interest rates for these loans using a base 10-year Treasury Note Index, plus an add-on amount for each loan program. The following chart outlines the interest rates for the last three award years.

	Treasury Note Index	Add-On Amount	Interest Rate
Federal Direct Subsidized and Unsubsidized Loans: <i>Undergraduate Students</i>			
2023-24	3.448%	2.05%	5.50%
2024-25	4.483%	2.05%	6.53%
2025-26	4.342%	2.05%	6.39%
Federal Direct Unsubsidized Loans: <i>Graduate Students</i>			
2023-24	3.448%	3.6%	7.05%
2024-25	4.483%	3.6%	8.08%
2025-26	4.342%	3.6%	7.94%
Federal Direct PLUS Loans: <i>Parents and Graduate/Professional Students</i>			
2023-24	3.448%	4.6%	8.05%
2024-25	4.483%	4.6%	9.08%
2025-26	4.342%	4.6%	8.94%

Federal Direct Subsidized Loans: Federal Direct Subsidized Loans are provided to undergraduate students based on their demonstrated financial need. Annual and aggregate limits apply to award amounts. Students do not have to pay the accrued interest on subsidized loans while enrolled at their institutions at least half-time. Interest on the loans begins to accrue as soon as borrowers receive the funds. However, a portion of the federal appropriation for subsidized loans is used to pay the accrued interest on the borrowers' behalf. This provision in the subsidized loan program is commonly referred to as the "in-school interest subsidy" and was also available to needy graduate students prior to July 1, 2012.

Repayment begins following a six-month "grace period" after the student is no longer enrolled at least half-time. The interest subsidy extends through the end of the grace period. Interest is also subsidized for some borrowers enrolled in certain Income Driven Repayment plans and during authorized periods of deferment. View the appendix to see data on Federal Direct Subsidized Loans disaggregated by state.

Federal Direct Unsubsidized Loans: The second type of Direct Loan, the Federal Direct Unsubsidized Loan, works similarly to the Federal Direct Subsidized Loan, but borrowers are responsible for all interest that accrues. Eligibility for unsubsidized loans is not based on students' financial need. That is, students may receive these loans regardless of their incomes or assets and may use them to replace their SAI*. Annual and aggregate limits apply to award amounts.

Students who receive federal direct unsubsidized loans do not have an in-school interest subsidy. These borrowers are charged the accrued interest on these loans while they are enrolled. Accrued interest may be paid during periods of enrollment or may be capitalized (added to the principal balance of the loans). Interest on these loans must also be paid or capitalized during any deferment periods. Regulatory changes effective July 1, 2023, eliminated all non-statutory instances of interest capitalization, including upon entering repayment.

Like Federal Direct Subsidized Loans, repayment begins following a six-month grace period after the student is no longer enrolled at least half-time. View the appendix to see data on Federal Direct Unsubsidized Loans disaggregated by state.

**Effective with the 2024-25 aid year, the Student Aid Index (SAI) replaced the Expected Family Contribution (EFC). All 2025 profile data reflecting aid years prior to the 2024-25 aid year use the EFC.*

Loan Limits. The amount a student may borrow in a Federal Direct Subsidized Loan is the result of subtracting other aid and the SAI* from the cost of attendance (COA), or the applicable annual loan limit, whichever is less. The annual maximum amount of loans students may borrow varies by academic grade level. As of July 1, 2007, the annual loan limits are as follows:

	Dependent Students	Independent Students (and students whose parents cannot obtain a PLUS Loan)
First-Year Undergraduate Students	\$5,500 <i>No more than \$3,500 can be subsidized.</i>	\$9,500 <i>No more than \$3,500 can be subsidized.</i>
Second-Year Undergraduate Students	\$6,500 <i>No more than \$4,500 can be subsidized.</i>	\$10,500 <i>No more than \$4,500 can be subsidized.</i>
Third-Year and Beyond Undergraduate Students	\$7,500 <i>No more than \$5,500 can be subsidized.</i>	\$12,500 <i>No more than \$5,500 can be subsidized.</i>
Graduate/Professional Students	N/A	\$20,500 <i>As of July 1, 2012, unsubsidized funds only.</i>

As of July 1, 2007, the aggregate loan limits are as follows:

	Dependent Students	Independent Students (and students whose parents cannot obtain a PLUS Loan)
Undergraduate Students	\$31,000 <i>No more than \$23,000 can be subsidized.</i>	\$57,500 <i>No more than \$23,000 can be subsidized.</i>
Graduate Students	N/A	\$138,500 <i>No more than \$65,500 can be subsidized. Undergraduate federal borrowing counts toward graduate aggregate limit.</i>

**Effective with the 2024-25 aid year, the Student Aid Index (SAI) replaced the Estimated Family Contribution (EFC). All 2025 profile data reflecting aid years prior to the 2024-25 aid year use the EFC.*

Federal Direct PLUS Loan: The Federal Direct PLUS Loan program provides loans to parents of dependent undergraduates and to students who are in graduate or professional programs (who are all, by federal definition, independent of their parents). Parents must use the loan funds to pay their children's higher education costs. To qualify for a Federal Direct PLUS Loan, borrowers may not have an adverse credit history (credit history is not considered for Federal Direct Subsidized and Unsubsidized Loans). Borrowers with adverse credit history can obtain a loan if they provide an endorser or appeal the credit decision with ED.

Federal Direct PLUS Loans are limited to the difference between the student's cost of attendance (COA) and other anticipated financial aid; there are no absolute annual or aggregate limits. Unlike Federal Direct Subsidized and Unsubsidized Loans, there is no six-month grace period; Federal Direct PLUS Loans enter repayment once they are fully disbursed but may be eligible for a deferment. View the appendix to see data on Federal Direct PLUS Loans broken down by state.

Table 6. Undergraduates Who Received Federal Direct Subsidized Loans by Family Income Level, Award Year 2019-20

Adjusted Gross Income (AGI)	Recipients (estimated)	Percent	Average Award
Less than \$20,000	1,162,620	26.1%	\$3,678.62
\$20,000 to \$39,999	1,187,051	26.6%	\$3,852.36
\$40,000 to \$59,999	713,874	16.0%	\$3,866.13
\$60,000 to \$79,999	474,812	10.6%	\$4,019.01
\$80,000 to \$99,999	343,177	7.7%	\$3,880.18
\$100,000 and over	578,224	13.0%	\$3,797.07
Total	4,459,758	100.0%	\$3,790.25

Table 7. Undergraduates Who Received Federal Direct Unsubsidized Loans by Family Income Level, Award Year 2019-20

Adjusted Gross Income (AGI)	Recipients (estimated)	Percent	Average Award
Less than \$20,000	3,556,075	22.9%	\$4,278.24
\$20,000 to \$39,999	3,560,275	22.9%	\$3,923.12
\$40,000 to \$59,999	2,111,299	13.6%	\$3,373.10
\$60,000 to \$79,999	1,495,711	9.6%	\$3,233.57
\$80,000 to \$99,999	1,126,950	7.2%	\$3,280.13
\$100,000 and over	3,702,010	23.8%	\$4,501.38
Total	15,552,320	100.0%	\$3,974.56

Table 8. Undergraduates Whose Parents Received Federal Direct PLUS Loans by Family Income Level, Award Year 2019-20

Adjusted Gross Income (AGI)	Recipients (estimated)	Percent	Average Award
Less than \$20,000	3,556,075	22.9%	\$12,875.07
\$20,000 to \$39,999	3,560,275	22.9%	\$12,161.67
\$40,000 to \$59,999	2,111,299	13.6%	\$14,044.46
\$60,000 to \$79,999	1,495,711	9.6%	\$14,992.63
\$80,000 to \$99,999	1,126,950	7.2%	\$16,095.28
\$100,000 and over	3,702,010	23.8%	\$19,951.00
Total	15,552,320	100.0%	\$16,272.91

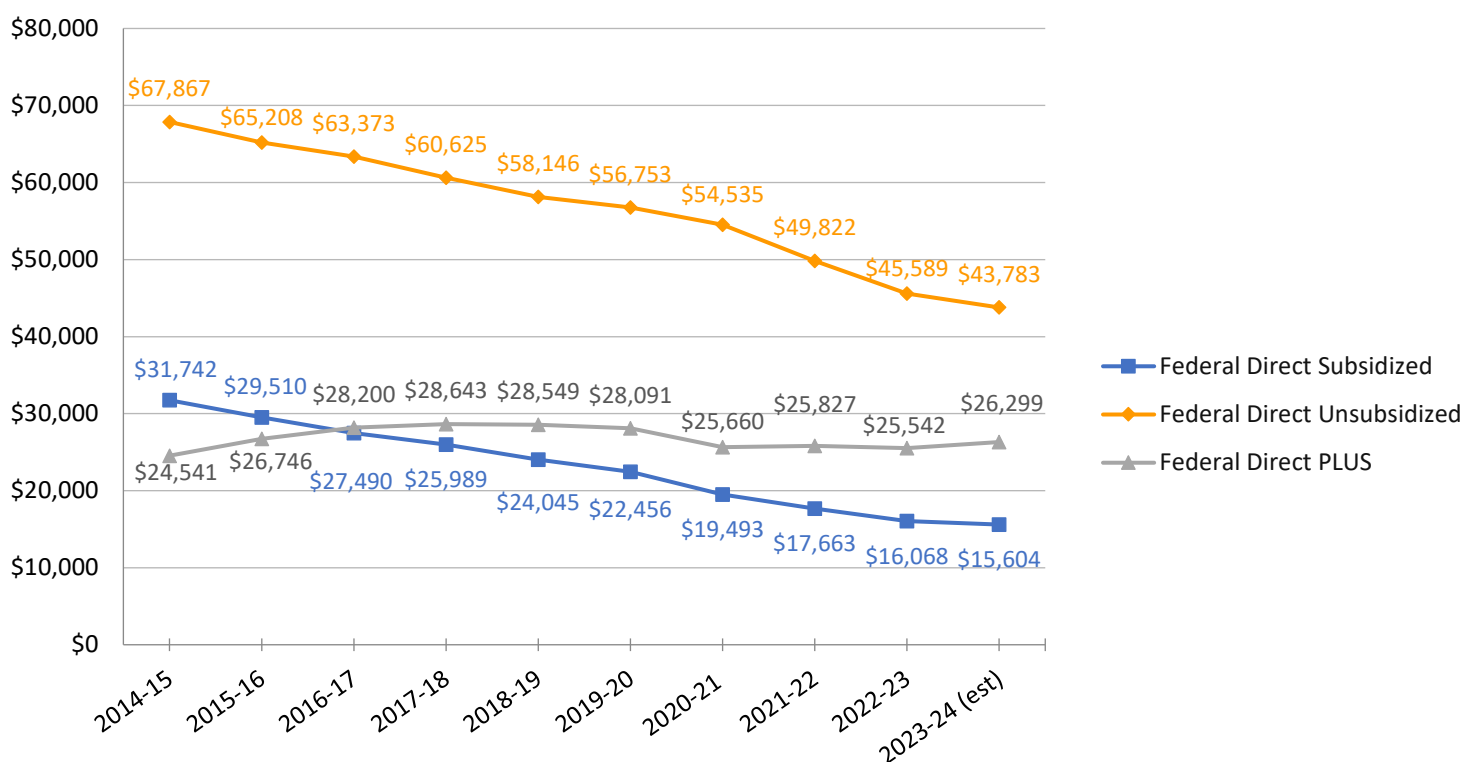
Table 9. Graduate/Professional Students Who Received Federal Direct PLUS Loans by Family Income Level, Award Year 2019-20

Adjusted Gross Income (AGI)	Recipients (estimated)	Percent	Average Award
Less than \$20,000	984,493	30.4%	\$24,180.21
\$20,000 to \$39,999	697,231	21.6%	\$25,130.90
\$40,000 to \$59,999	464,843	14.4%	\$25,654.68
\$60,000 to \$79,999	316,112	9.8%	\$25,842.00
\$80,000 to \$99,999	268,784	8.3%	\$26,488.65
\$100,000 and over	503,102	15.6%	\$30,512.32
Total	3,234,565	100.0%	\$25,058.71

Note: Estimates for the number of recipients calculated by NASFAA. Some students did not report income and were excluded from the calculation.

Source for tables 6-9: U.S. Department of Education, National Center for Education Statistics, 2019-20 National Postsecondary Student Aid Study (NPSAS:20).

Figure 8. Federal Direct Student Loan Volume (Inflation-Adjusted Dollars, in millions), 2014-15 to 2023-24



Source: The College Board, Trends in Student Aid, 2024.

Reconciliation Package: As part of the recent federal reconciliation package, titled the One Big Beautiful Bill Act, several significant changes were made to federal student loan programs. These include adjustments to loan forgiveness eligibility, the elimination of the Grad PLUS loan program, new loan limits for many of the loan programs, revised income-driven repayment plan terms, and expanded access to interest subsidies for certain borrowers. While the full impact of these changes is not yet known, future editions of the National Student Aid Profile will continue to track and analyze their effects as more data becomes available.

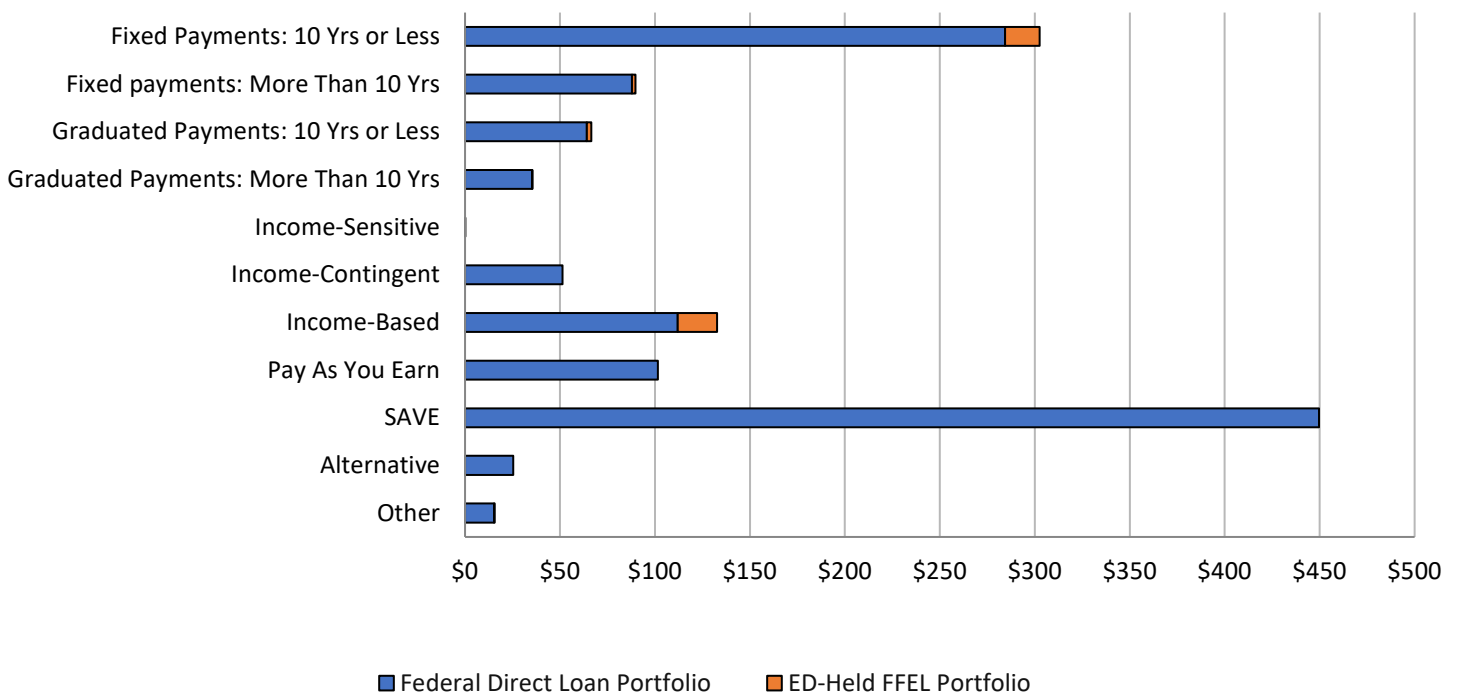
Repayment, Loan, and Delinquency Status

Repayment Status: The federal government offers an array of repayment options for student borrowers. Borrowers, based on a variety of eligibility factors, can elect repayment plans with fixed or graduated payments up to 10 or 25 years, or choose to enroll in one of several income-driven repayment (IDR) plans. Income-contingent repayment (ICR), income-based repayment (IBR), income-sensitive repayment (ISR), Pay As You Earn (PAYE), and Saving on a Valuable Education (SAVE) are each IDR plans with differing eligibility, monthly payment, and income verification requirements.

As of December 2024, outstanding dollars from Federal Direct Loans and ED-held FFEL in repayment totaled approximately \$1.7 trillion. Outstanding dollars for the ED-held FFEL program totaled \$43.6 billion in 2024 — 47.7% assigned to IDR plans and 46.9% assigned to 10-year fixed payment plans. Outstanding dollars from the Federal Direct Loan portfolio, totaling \$1.23 trillion, were divided among a number of repayment plans. The 10-year fixed payment plan housed 28.3% of Federal Direct Loan dollars, followed by other plans holding 1.24% of outstanding dollars in repayment, and IDR plans holding 58.1% of outstanding dollars in repayment.

Executive actions from both the Trump and Biden administrations and provisions in the Coronavirus Aid, Relief, and Economic Security (CARES) Act in response to the COVID-19 pandemic resulted in borrowers in repayment being moved into a forbearance status, unless they opted out. This temporarily halted payments and cured delinquencies. Monthly payments officially resumed in October 2023, marking a transition back to repayment, though the landscape remains atypical due to ongoing litigation related to the SAVE repayment plan and nearly 8 million borrowers still in forbearance. For the 2025 National Profile, NASFAA has updated Figures 9, 10, and 11 using the most recent data from the Federal Student Aid Data Center.

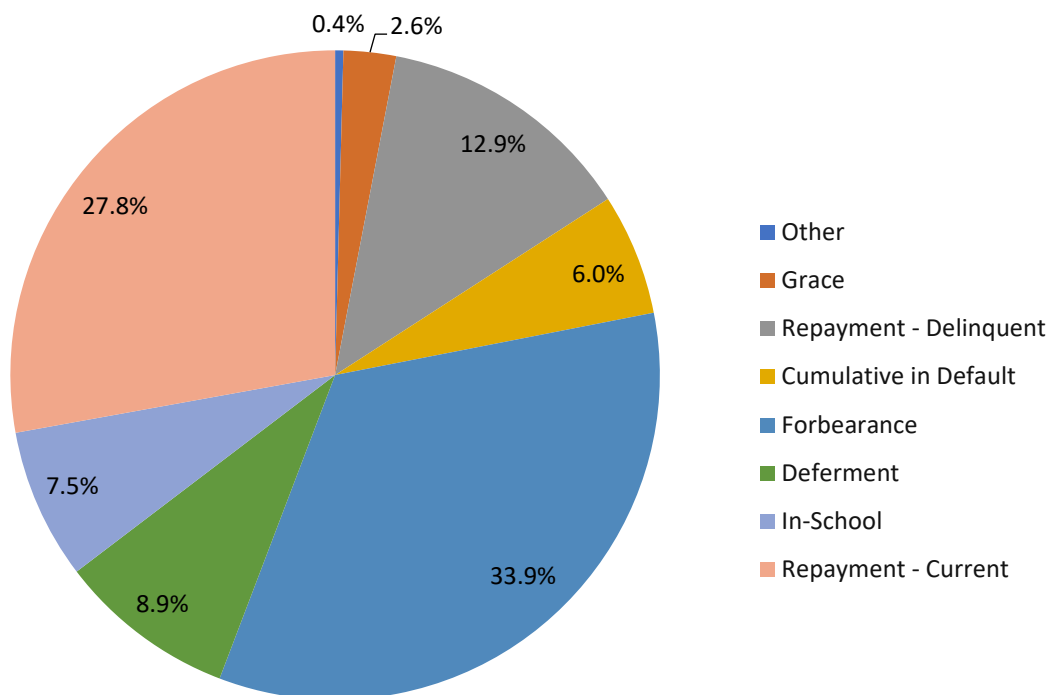
Figure 9. Federal Direct Loan & ED-Held FFEL Dollars Outstanding (in billions), by Repayment Plan, as of Sept. 30, 2024



Note: Includes outstanding principal and interest balances of Federal Direct Loan borrowers in Repayment, Deferment, and Forbearance; excludes borrowers in Default, In-School, and Grace. Data is run at the end of each quarter, listed by federal fiscal year, in this case, FY24 Q4. This figure reflects repayment data for only the Federal Direct Loan and ED-held FFEL portfolios. Data on repayment plans was not available for the FFEL program.

Source: National Student Loan Data System (NSLDS), available from FSA Data Center (<https://studentaid.gov/data-center/student/portfolio>).

Figure 10. Percentage of Federal Direct Loan Dollars Outstanding by Loan Status, as of Dec. 1, 2024

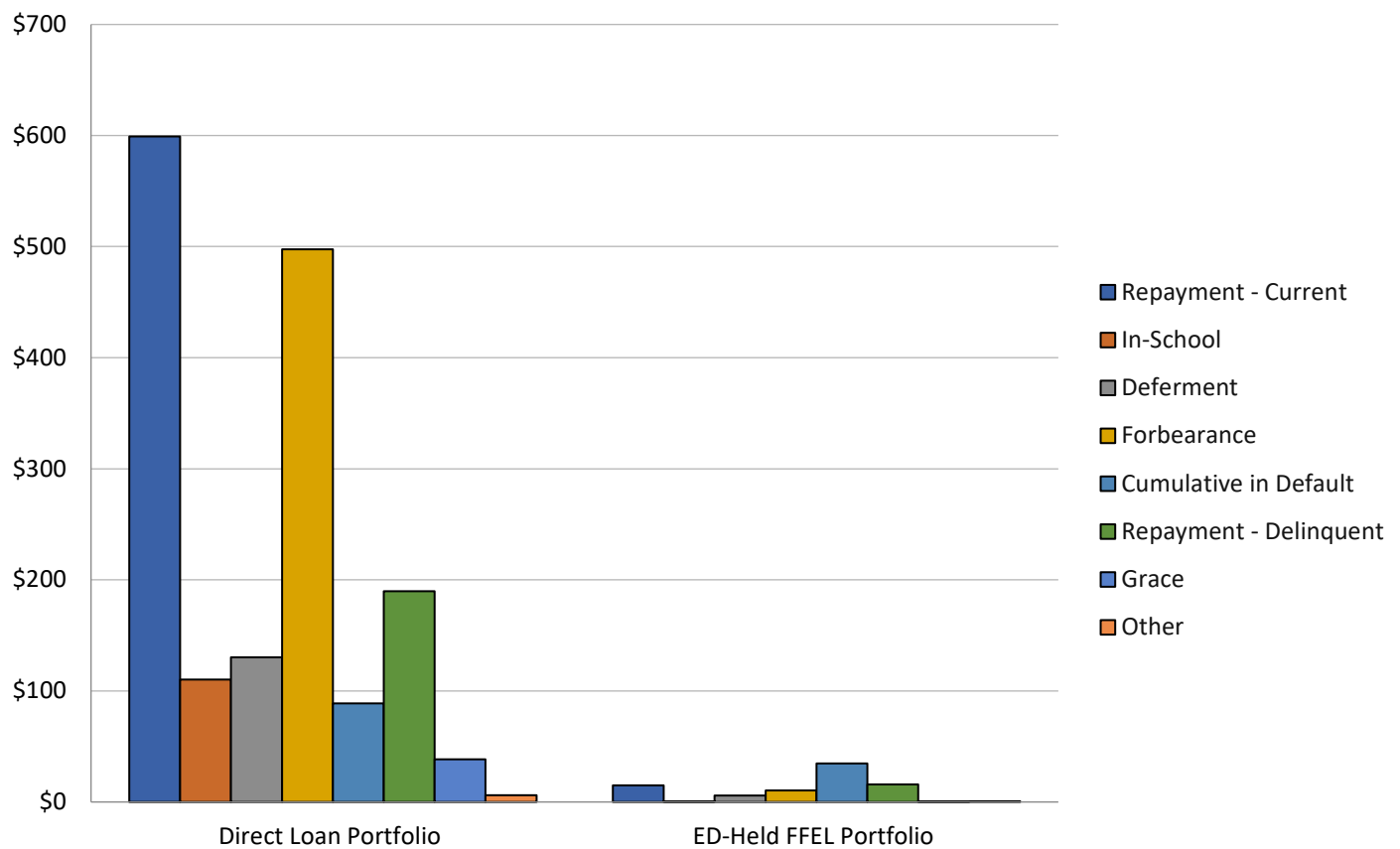


Note: Includes outstanding principal and interest balances. Data is run at the end of each quarter, listed by federal fiscal year, in this case, FY24 Q4. Numbers for FSA tables on loan status and delinquency status may differ due to rounding and the timing of data runs. Calculation of repayment current and delinquent by NASFAA.

Source: National Student Loan Data System (NSLDS), available from FSA Data Center (<https://studentaid.gov/data-center/student/portfolio>).

Loan Status: In 2024, \$599 billion (40.7%) of the total outstanding Federal Direct Loan dollars were in current repayment. The remaining \$871.1 billion (59.25%) fell into several non-current repayment categories. Of the total non-current outstanding debt, 7.5% belonged to students still enrolled in school, and 2.6% was held by students in a six-month grace period. Loans in forbearance and deferment accounted for 33.9% and 8.9%, respectively, of uncollected dollars, and 6% of the dollars were in default. This data reflects the resumption of monthly payments as of Dec. 31, 2024.

Figure 11. Federal Direct Loan & ED-Held FFEL Dollars Outstanding (in billions), by Loan Status, as of Sept. 30, 2024



Note: Includes outstanding principal and interest balances. Data is run at the end of each quarter, listed by federal fiscal year, in this case, FY24 Q4. Numbers for FSA tables on loan status and delinquency status may differ due to rounding and the timing of data runs. Calculation of repayment current and delinquent by NASFAA.

Note: The significant increase in the dollar amount of loans in forbearance is likely due in part to the temporary forbearance granted to borrowers enrolled in the SAVE repayment plan, as it is subject to ongoing litigation. This context is important when interpreting trends in the forbearance category, as the data may not reflect long-term repayment behavior.

Source: National Student Loan Data System (NSLDS), available from FSA Data Center (<https://studentaid.gov/data-center/student/portfolio>).

Delinquency Status: Federal student loan borrowers' delinquency period begins the day after they miss a payment. The COVID-19 payment pause drastically reduced the number of borrowers in delinquent status. Following the restart of loan repayment on Oct. 1, 2023, the Department of Education instituted a 12-month on-ramp period through Sept. 30, 2024. During this time, eligible borrowers were not reported to credit agencies as delinquent for a missed payment, and their loans were not placed into default.

Public Service Loan Forgiveness

Program Description. Public Service Loan Forgiveness (PSLF) is a federal program that allows Federal Direct Loan borrowers who are working full-time in the public service sector to have the remainder of their Federal Direct Loan balances forgiven after making 120 qualifying payments. The program was created in 2007 under the College Cost Reduction and Access Act as a way to provide relief to professionals working in government, state, local, and not-for-profit sector jobs.

Beyond having a qualifying employer, borrowers must also be enrolled in a qualified repayment plan and complete an Employment Certification Form (ECF) to be eligible for forgiveness. As only loan payments made after Oct. 1, 2007, qualify toward the 120 required payments, the first PSLF recipients received forgiveness in 2017. Submission of the ECF on an annual basis is voluntary, and the Department of Education (ED) tracks submission of ECFs as an indicator of interest in, and potential eligibility for, PSLF. Submission of one or more ECFs does not necessarily indicate that a borrower will ultimately receive forgiveness. As of Dec. 31, 2024, there were 340,000 PSLF applications approved for loan discharge.¹ In March 2018, the Consolidated Appropriations Act of 2018 provided limited, additional conditions under which borrowers may be eligible for PSLF if loan payments were made under a non-qualifying repayment plan. This reconsideration is called Temporary Expanded Public Service Loan Forgiveness (TEPSLF). As of Dec. 31, 2024, there were 7,000 applications for TEPSLF approved for loan discharge.¹

In response to the COVID-19 pandemic, in October 2021, the Department of Education announced a change to the PSLF rules for a limited time, allowing borrowers to receive credit for past periods of repayment that under the original rules would not have qualified as eligible payments. As long as the borrower was employed at a qualifying employer, any prior qualifying payment, regardless of the repayment plan or whether the payment was made in full or on time, counted as a qualifying payment. At its creation, ED estimated that the waiver would help over 550,000 borrowers gain an average of 23 additional payments. Included in that number are an estimated 22,000 borrowers who were immediately eligible for forgiveness.² As of Dec. 31, 2024, 759,900 borrowers had their loans discharged after waiver processing.¹ The eligibility period to take advantage of the waiver ran through Oct. 31, 2022.

In April 2022, the Department of Education announced a one-time account adjustment to count certain forbearances toward income-driven repayment (IDR). This initiative and other permanent fixes to how federal student loan servicers count borrower payments allowed more payments to count toward the 120 qualifying payments necessary for PSLF, likely resulting in more PSLF recipients.

Regulatory changes to the PSLF program to improve the application process, expand what counts as an eligible monthly payment, and expand the definition of “full-time” employment became effective July 1, 2023. In Spring 2025, ED was instructed to revise the PSLF regulations by an executive order (EO) issued by President Donald Trump, ordering the Secretary of Education to “ensure the definition of ‘public service’ excludes organizations that engage in activities that have a substantial illegal purpose,” which the EO clarifies as: “aiding or abetting violations of immigration law, supporting terrorism, aiding or abetting illegal discrimination, providing gender-affirming treatments for transgender youth, and engaging in patterns of state tort laws such as vandalism, and trespassing, among other crimes.”³ To carry out the executive order, the Department held a negotiated rulemaking session for the PSLF program in early July 2025, which resulted in a no-consensus decision.⁴ A proposed rule is forthcoming; final rules are expected before Nov. 1, 2025.

As of Dec. 31, 2024, a total of 1,077,400 borrowers have had their PSLF, TEPSLF, and waiver discharges processed, totaling just over \$79 billion, with an average balance of \$73,700.¹

¹ Federal Student Aid Data Center March 31, 2024 PSLF Report <https://studentaid.gov/data-center/student/loan-forgiveness/pslf-data>

² <https://www.ed.gov/news/press-releases/fact-sheet-public-service-loan-forgiveness-pslf-program-overhaul>

³ <https://www.whitehouse.gov/presidential-actions/2025/03/restoring-public-service-loan-forgiveness>

⁴ <https://www.ed.gov/about/news/press-release/us-department-of-education-concludes-negotiated-rulemaking-session-restore-public-service-loan-forgiveness>

Reporting for the PSLF program has undergone a number of changes over the years, as several different administrations have overseen the program, leading to variations in how data was reported. These inconsistencies include differences in reporting frequency — some years saw monthly reporting, others quarterly, and in some cases, only annual reporting was provided. Additionally, the data points tracked and reported have varied from one administration to another, making it challenging to create a consistent historical record.

In light of these discrepancies, NASFAA has removed historical graphs and charts that previously sought to illustrate trends in PSLF data. Removing this content reflects our commitment to providing accurate and reliable information.

Federal Need Analysis

Description: The application for all Title IV programs is the Free Application for Federal Student Aid (FAFSA), which collects demographic, income, and asset information from aid applicants and their families. The U.S. Department of Education (ED) uses this information to confirm students' general eligibility to receive Title IV funds and calculates the Student Aid Index (SAI), which replaced the expected family contribution (EFC) as of the 2024-25 aid year, that schools use as one of several factors to determine the amount of financial aid a student may receive during a given award year.

The SAI is determined by a need analysis formula called the Federal Methodology (FM) established under Title IV of the Higher Education Act (HEA). Parents of dependent students are assumed to have a role in financing their child's education and, as such, are expected to provide financial information on the FAFSA.

Use: Financial aid administrators use the SAI and other information to determine which students will receive federal student aid authorized under Title IV of the HEA and the amounts they will receive from these programs. Students are eligible to receive need-based federal student aid (Federal Pell Grant, FWS, FSEOG, and Federal Direct Subsidized Loans) only if the sum of the SAI and other estimated financial assistance is less than the total cost of attendance (COA). The COA includes tuition and fees, estimated living expenses, books and educational supplies, transportation to and from the postsecondary institution, and other miscellaneous expenses.

FAFSA Simplification: The FAFSA Simplification Act, signed into law in December 2020 as part of the Consolidated Appropriations Act of 2021, established changes to the HEA, the FAFSA, and the federal need analysis that became fully effective in the 2024-25 aid year. The bill included changes to the Federal Methodology and the creation of the Student Aid Index (SAI), which replaced the EFC. The name change was intended to better reflect the use of that figure as an aid eligibility index rather than an expectation of what a family will contribute to postsecondary expenses. It also codified in statute the use of prior-prior year (PPY) income data on the FAFSA, which had been done in practice via executive order since 2016.

Significant changes to the Federal Methodology include the removal of state and other tax income exclusions and the family farm and small business asset exclusion, while adding back into the total income foreign income exempt from U.S. tax or for which a foreign tax credit was received. Additionally, the SAI calculation no longer considers multiple household members contemporaneously enrolled in college. The SAI determines the type and amount of federal student aid authorized under Title IV of the HEA that students will receive, excluding minimum and maximum Pell Grant eligibility determinations. Automatic maximum and automatic minimum Pell Grant eligibility is now determined by the number of parents in the household and family income as a percentage of the federal poverty line. Independent student tax nonfilers, dependent children of nonfiling parent(s), and students under age 33 whose parent(s) died serving in the armed forces or in the line of duty as a public safety officer are also eligible to receive the maximum Pell Grant.

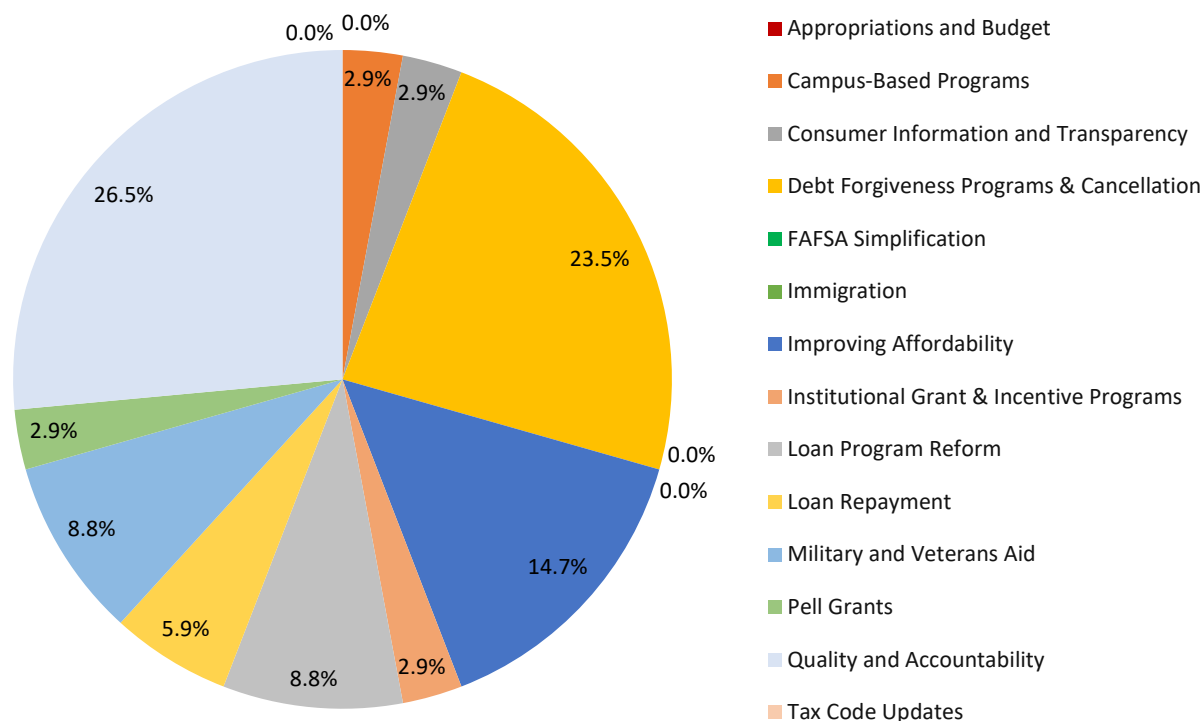
The SAI allows for further differentiation among the neediest students by reporting numbers as low as -1500, whereas the EFC calculation could not go below zero. This change allows schools to better target need-based aid. Other significant changes from the FAFSA Simplification Act include the removal of Selective Service and drug conviction questions, which were implemented during the 2021-22 award year. Finally, the FAFSA Simplification Act restored Pell Grant eligibility to incarcerated students enrolled in eligible Prison Education Programs as of July 1, 2023.

Reconciliation Package: The One Big Beautiful Bill Act, which was signed into law on July 4, 2025, included several changes related to federal need analysis and Pell Grant eligibility determinations. The law reinstates the exemptions of family farm and family-owned small business assets from the SAI calculation and expands asset exemptions to family-owned commercial fisheries. The law also requires that foreign income be included in the adjusted gross income (AGI) when calculating Pell Grant eligibility. Students with an SAI that exceeds twice the maximum Pell Grant amount are not eligible to receive Pell, and students who receive grants or scholarships from non-federal sources covering their entire cost of attendance (COA) are ineligible to receive a Pell Grant. These provisions all have an effective date of July 1, 2026.

Legislation Introduced in Congress in 2024 on Student Aid Topics

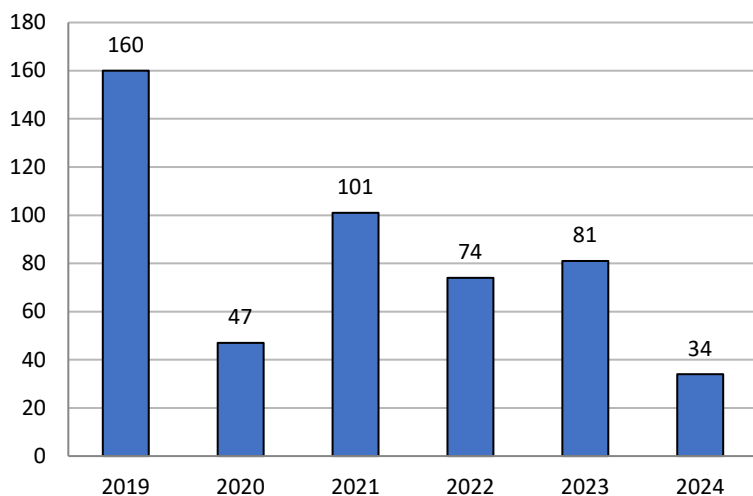
In 2024, U.S. House of Representatives and the U.S. Senate members introduced 31 bills on student aid-related issues. When categorized by topic, Congress demonstrated a commitment to addressing quality and accountability, debt forgiveness programs and cancellation, and improving affordability (26%, 24%, and 15% of legislation introduced on student aid topics addressed these issues, respectively). Figure 15a presents the number of student-aid-related bills introduced in 2024.

Figure 12. Bills Introduced in 2024, by Topic



Source: NASFAA Legislative Tracker

Figure 13. Total Bills Introduced in Previous Six Years



Source: NASFAA Legislative Tracker

Fiscal Year 2025 Budget and Appropriations Update

Each year, Congress must determine funding levels for most federal student aid programs. Congress did not pass fiscal year (FY) 2025 funding spending bills, instead opting to pass a full-year continuing resolution that extended FY 2024 funding levels through the duration of FY 2025. This means that funding for the student programs in FY 2025, which impacts the 2025-26 award year, is equal to the FY 2024 funding levels. The full-year funding extension was finalized by Congress and signed into law by President Trump in March 2025.

Funding for the Pell Grant program comes from both discretionary (subject to the annual appropriations process) and mandatory (set in law) funding streams. Through the appropriations process, Congress has agreed to fund the discretionary base maximum Pell Grant award at the \$4,860 level since 2009-10. However, because the mandatory annual inflation adjustment add-on to the maximum award expired after FY 2017, which would have left the add-on at \$1,060 (resulting in a \$5,920 total maximum grant), Congress opted to increase the discretionary base maximum to \$5,285 in FY 2020, to \$5,435 in FY 2021, to \$5,835 in FY 2022, and to \$6,335 in both FY 2023 and FY 2024, as well as for FY 2025 through the full-year continuing resolution. Combined with the \$1,060 mandatory add-on, the total maximum Pell Grant award for FY 2025, or award year 2025-26, remains at \$7,395, the same as FY 2024.

The chart below highlights Pell Grant funding over the last three fiscal years.

Program	FY 2023	FY 2024	FY 2025	Change from FY 2024 to FY 2025
Pell Grant (discretionary)	\$22,475,352,000	\$22,475,352,000	\$22,475,352,000	\$0
Pell Grant maximum award	\$6,895	\$7,395	\$7,395	\$0

In the final FY 2025 agreement, FSEOG and FWS were level-funded and stayed consistent with the FY 2024 funding levels. The funding for FSEOG and FWS are highlighted in the following chart.

Program	FY 2023	FY 2024	FY 2025	Change from FY 2024 to FY 2025
FSEOG	\$895,000,000	\$910,000,000	\$910,000,000	\$0
FWS	\$1,210,000,000	1,230,000,000	\$1,230,000,000	\$0

The Congressional Budget Office (CBO) in January 2025 released new projections for the Pell Grant program, which indicated a potential funding shortfall of about \$2.7 billion for FY 2025 and nearly \$10 billion by the end of FY 2026. This was a revision of CBO's earlier estimate that indicated the shortfall wouldn't happen until FY 2029. The revision was based on both greater eligibility for the Pell Grant as a result of the FAFSA Simplification Act and new enrollment figures for 2024-25, which did not ultimately decrease as much as originally estimated. The reconciliation bill that was signed into law by President Trump included a provision to address the shortfall by adding about \$10 billion in mandatory funding for the program for FY 2026.

Conclusion

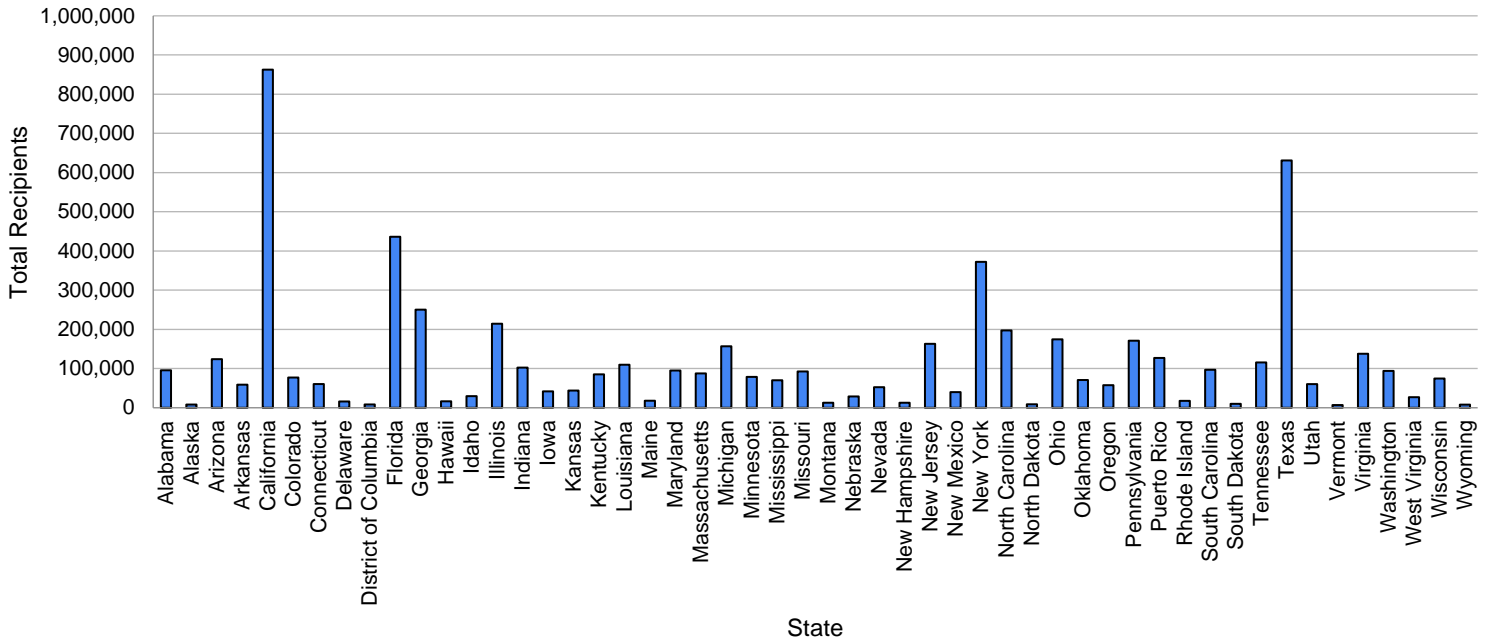
Since the enactment of the Higher Education Act (HEA) in 1965, federal financial aid has been a central and critical pathway for college access. Given the importance of federal financial aid, this report serves as a resource describing six prominent Title IV programs. While these financial aid programs may have changed over time, the general principles of each program have stayed the same.

NASFAA hopes the information in this report is helpful to you. We have also produced other publications that help students and families find ways to pay for postsecondary education. Should you need any additional information, please contact us at policy@nasfaa.org.

Appendix: Federal Student Aid Program Data by State

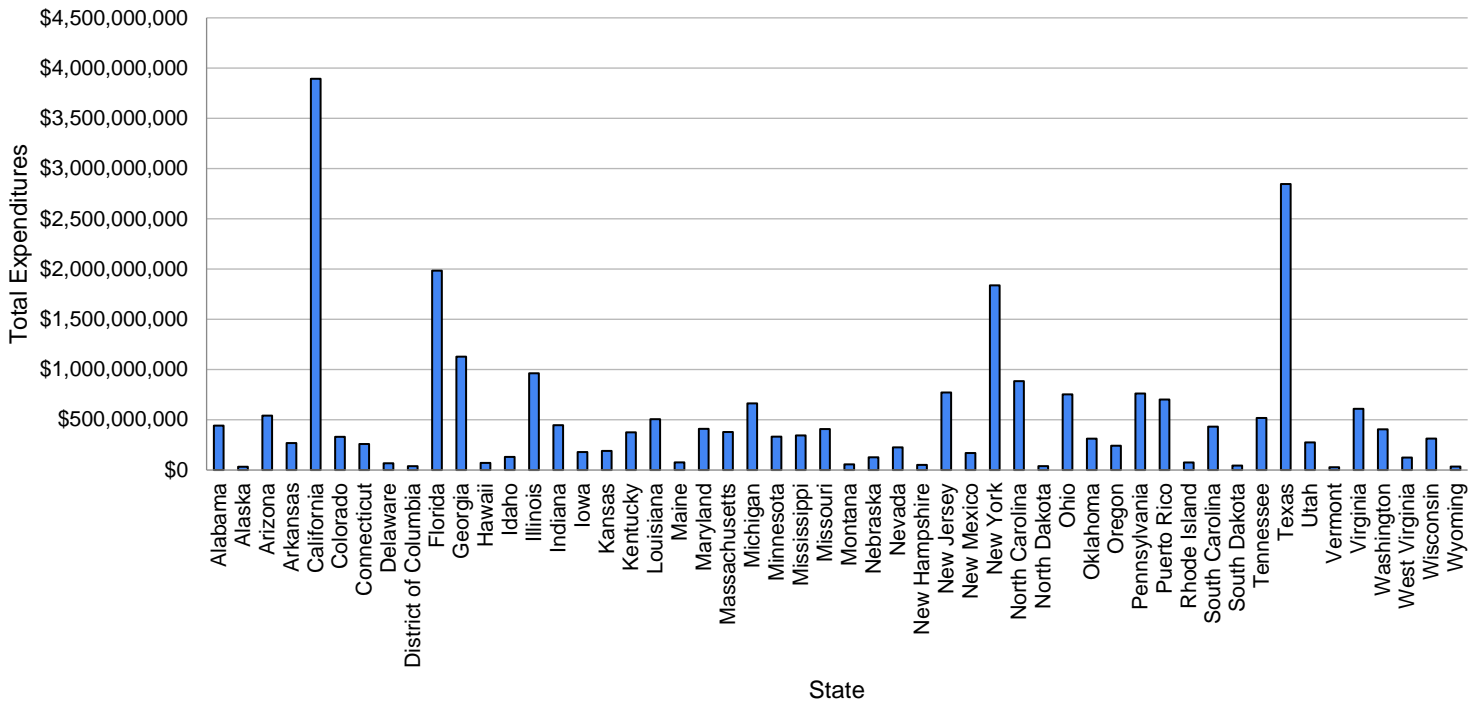
This appendix contains data on the Federal Student Aid programs disaggregated by state, where available. Please refer to the main text for additional information and national data on these programs.

Pell Grant Recipients by State, Award Year 2022-23



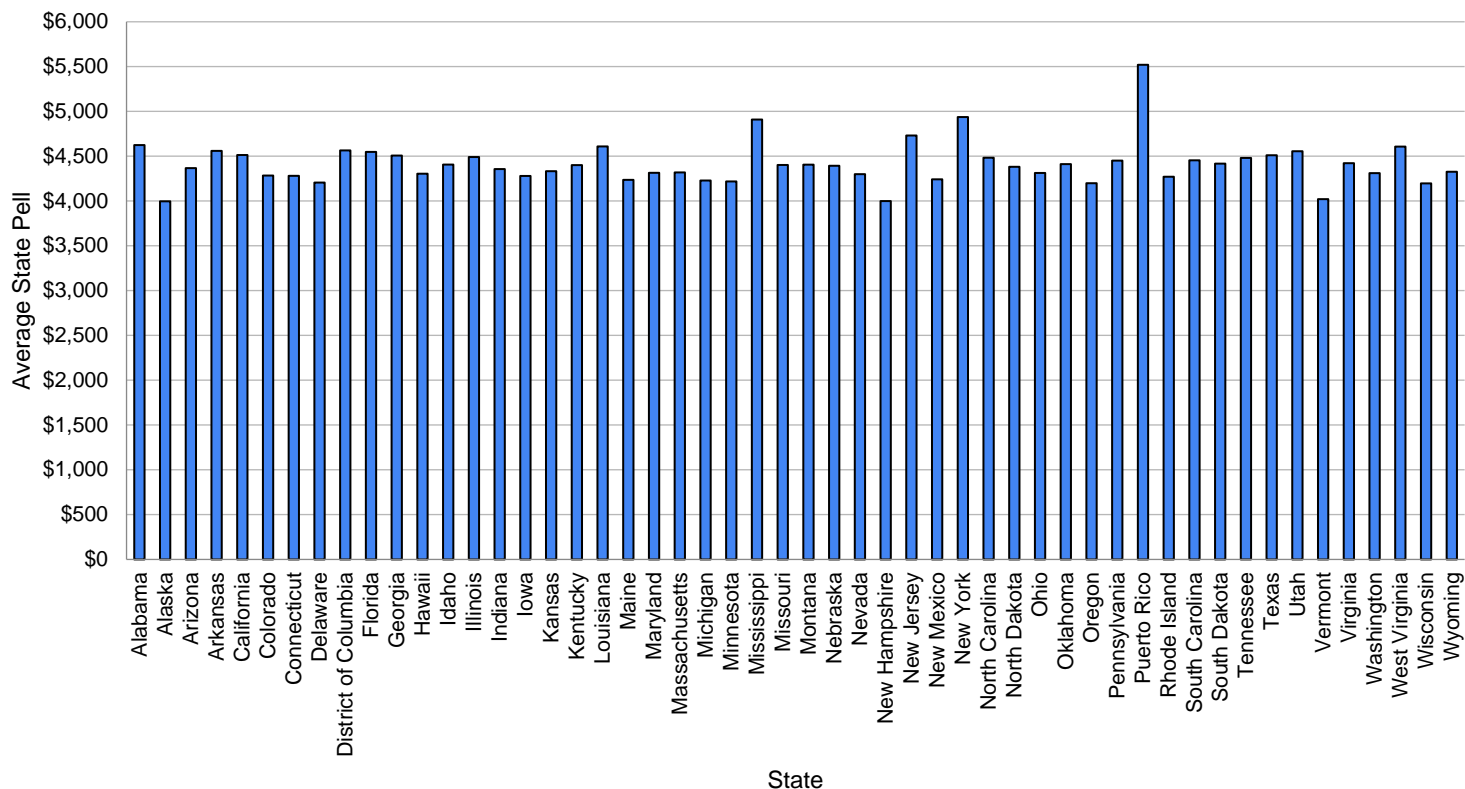
Source: U.S. Department of Education, Federal Pell Grant Program End-of-year Report, 2022-23.

Pell Grant Expenditures by State (in millions), Award Year 2022-23



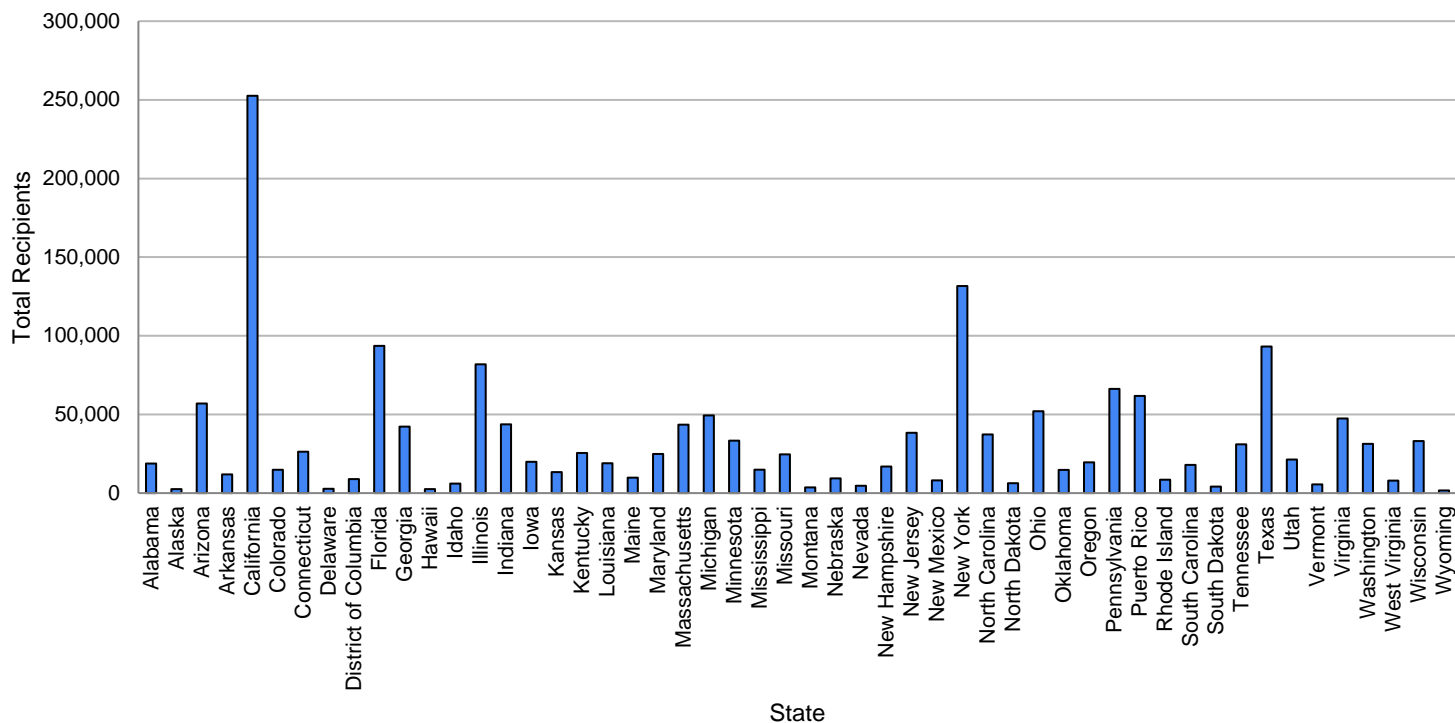
Source: U.S. Department of Education, Federal Pell Grant Program End-of-year Report, 2022-23.

Average Pell Grant Amount by State, Award Year 2022-23



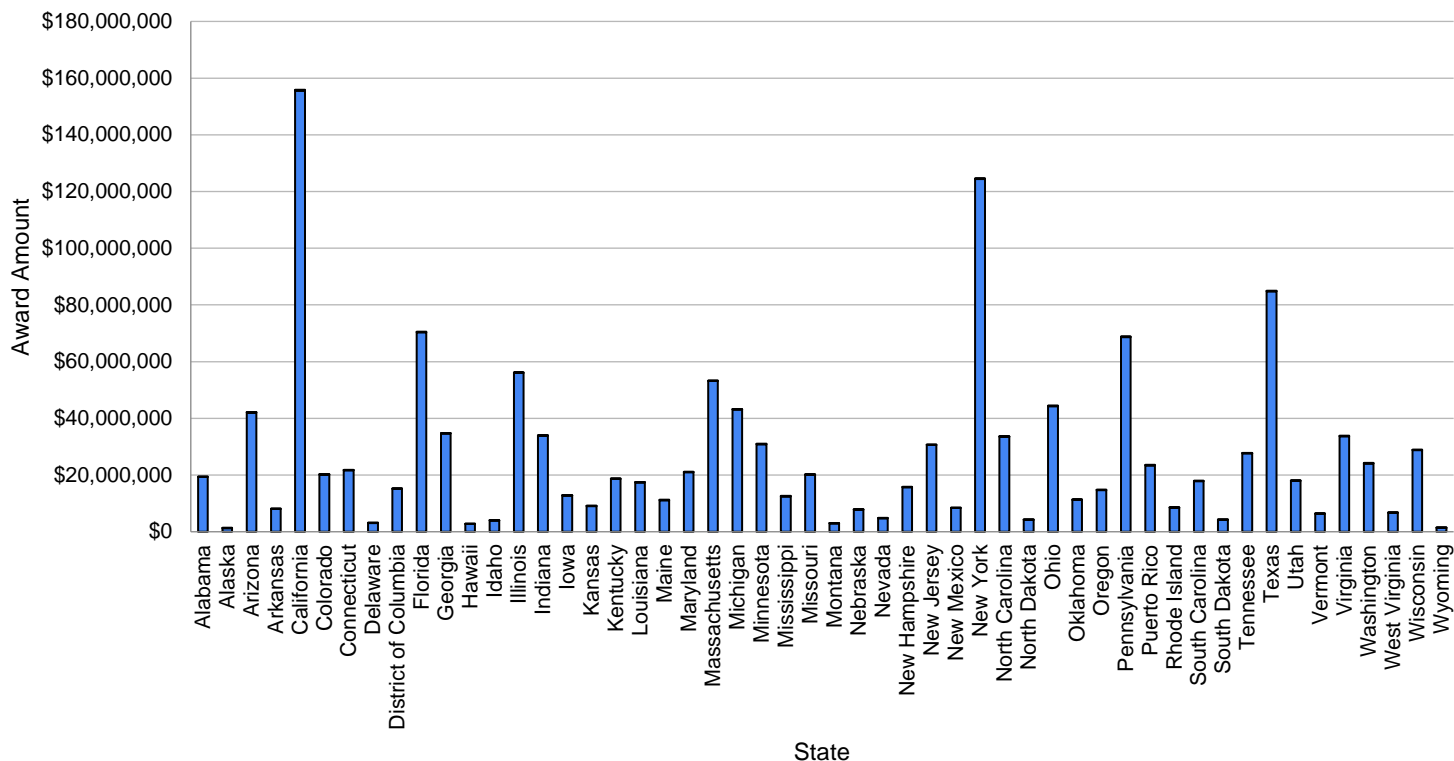
Source: U.S. Department of Education, Federal Pell Grant Program End-of-year Report, 2022-23.

Federal Supplemental Educational Opportunity Grant Recipients by State, Award Year 2022-23



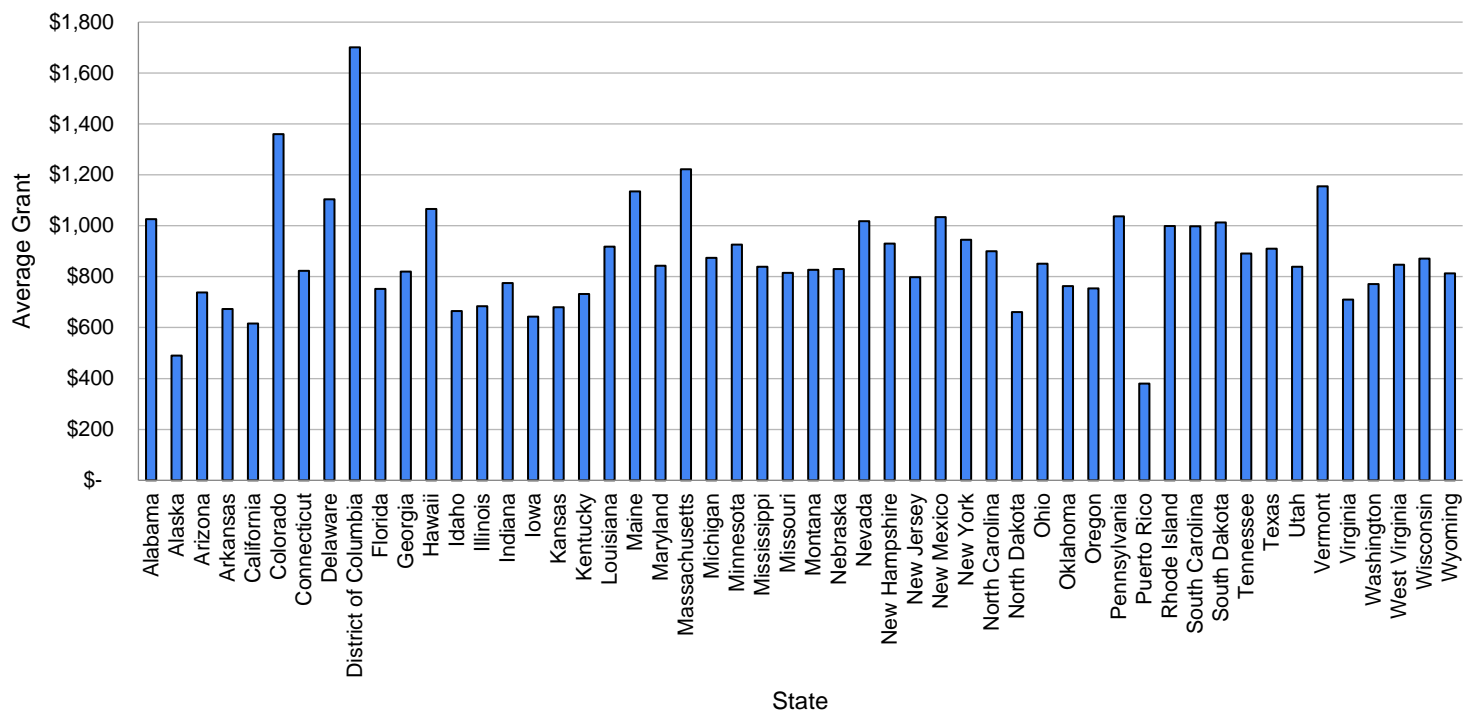
Source: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2024.

Federal Supplemental Educational Opportunity Grant Volume by State (in millions), Award Year 2022-23



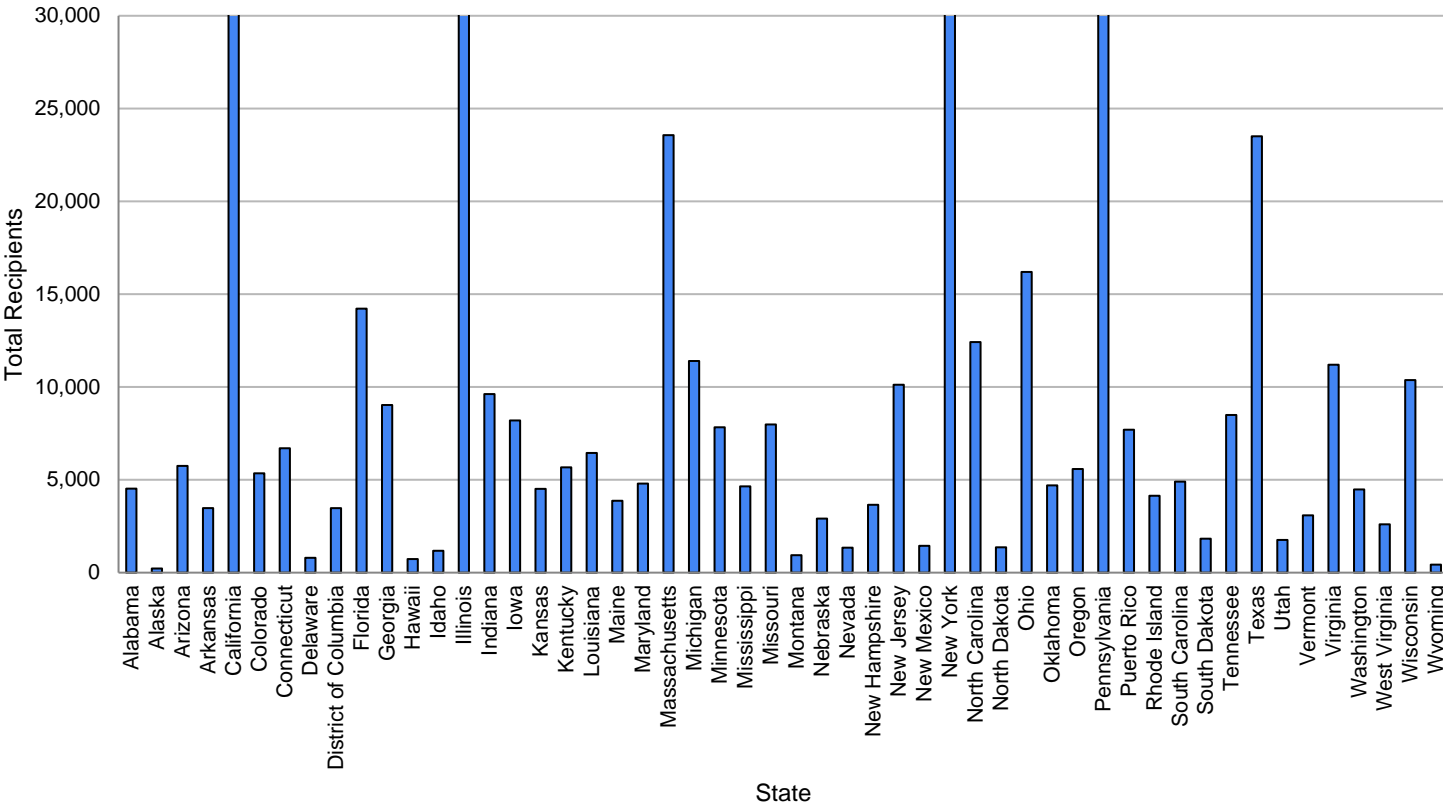
Source: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2024.

Average Federal Supplemental Educational Opportunity Grant Amount by State, Award Year 2022-23



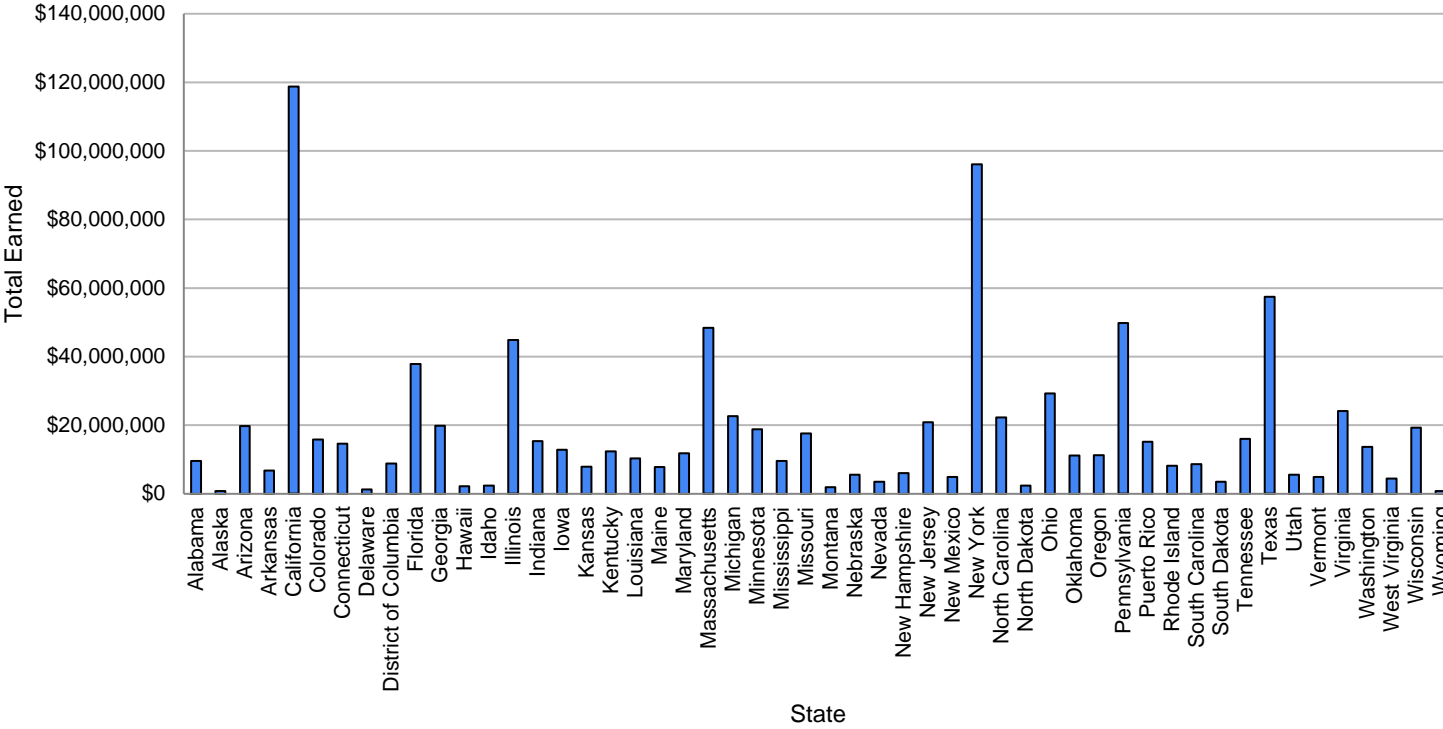
Source: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2024.

Federal Work-Study Recipients by State, Award Year 2022-23



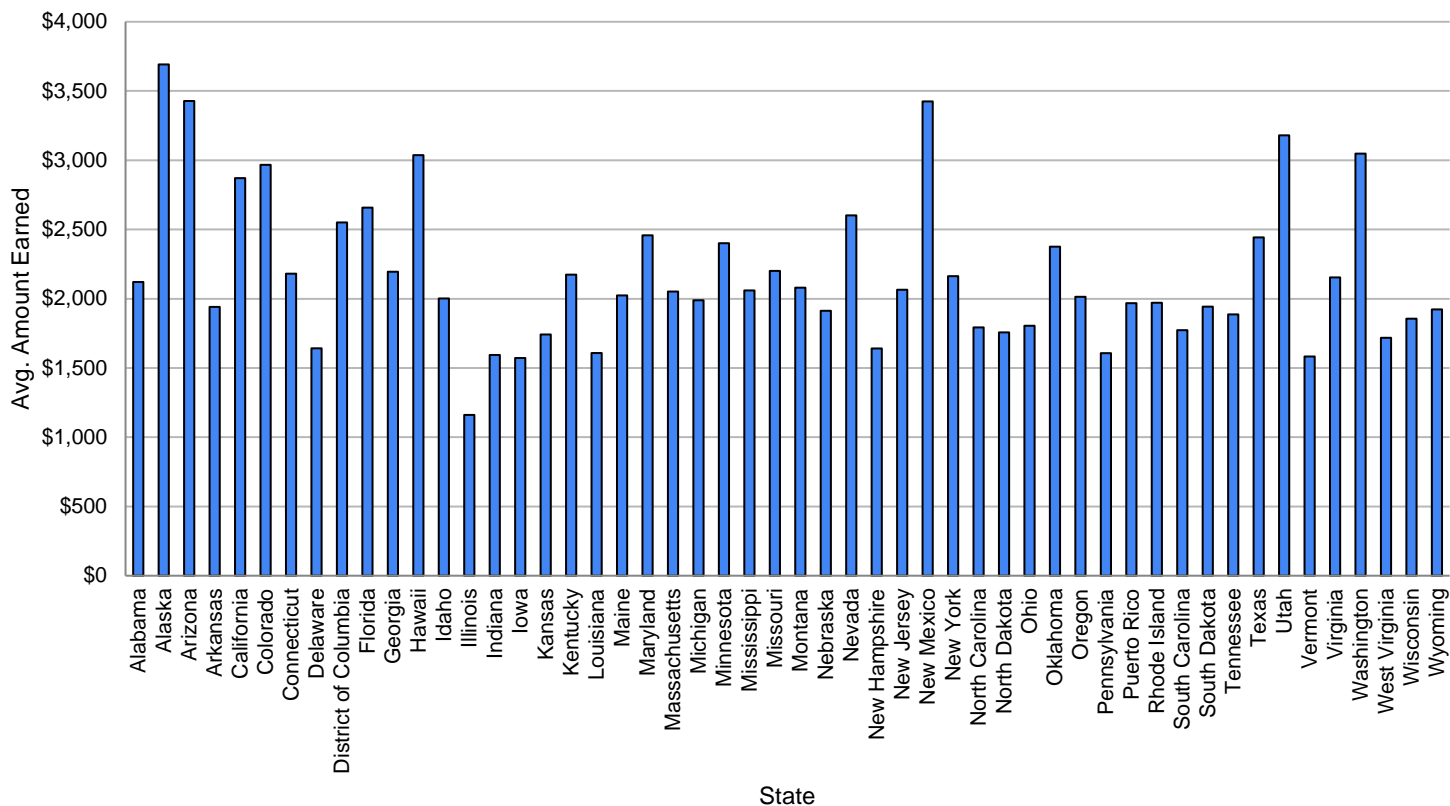
Source: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2024.

Federal Work-Study Volume by State (in millions), Award Year 2022-23



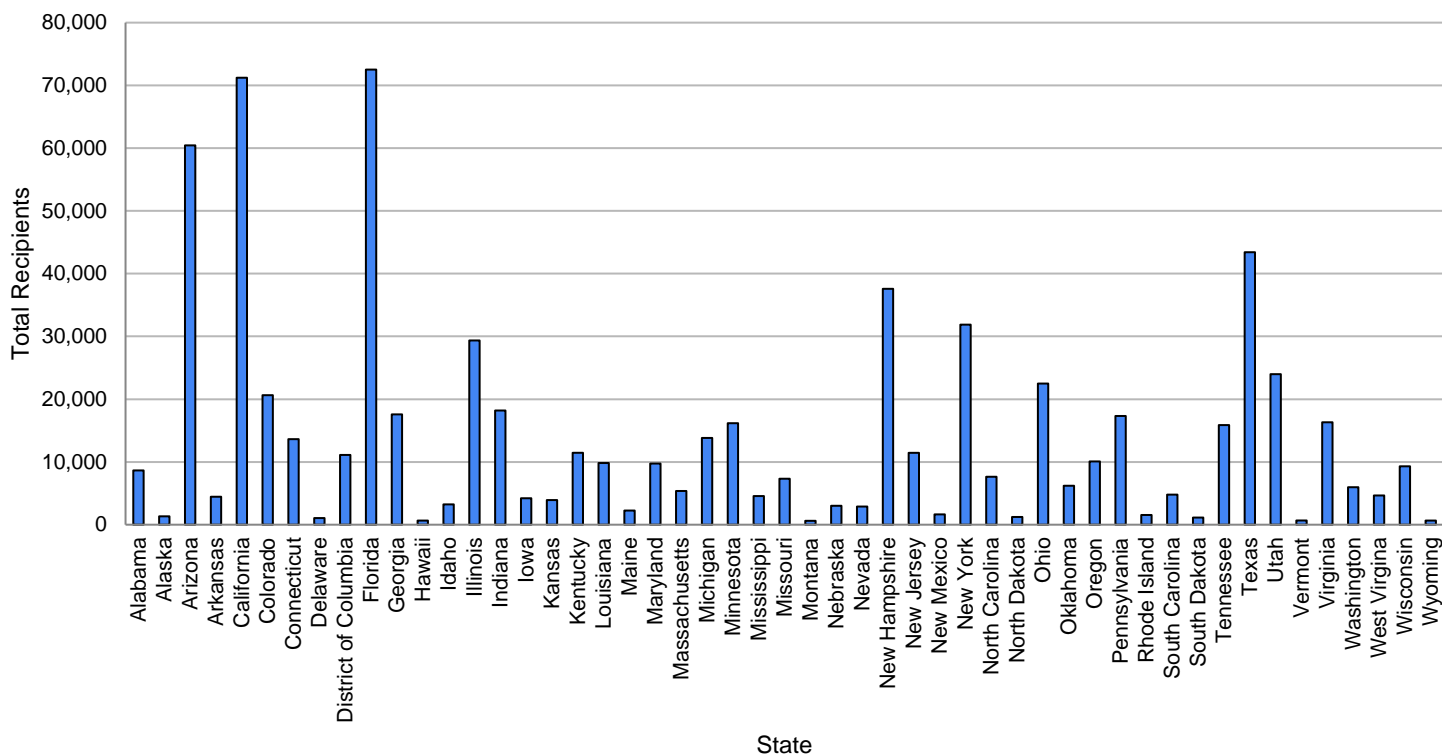
Source: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2024.

Average Federal Work-Study Amount by State, Award Year 2022-23



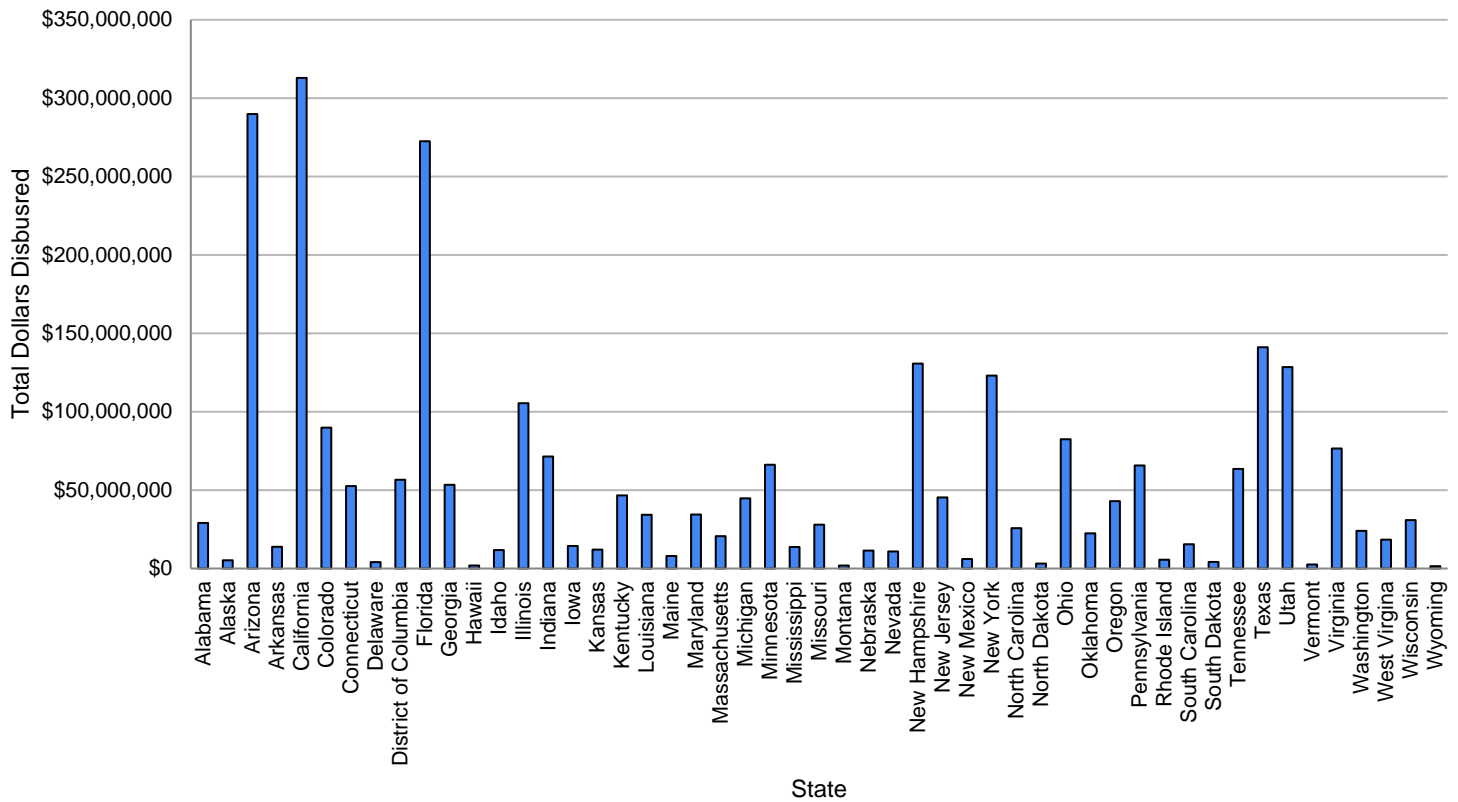
Source: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2024.

Federal Direct Subsidized Loan Recipients by State, Award Year 2023-24



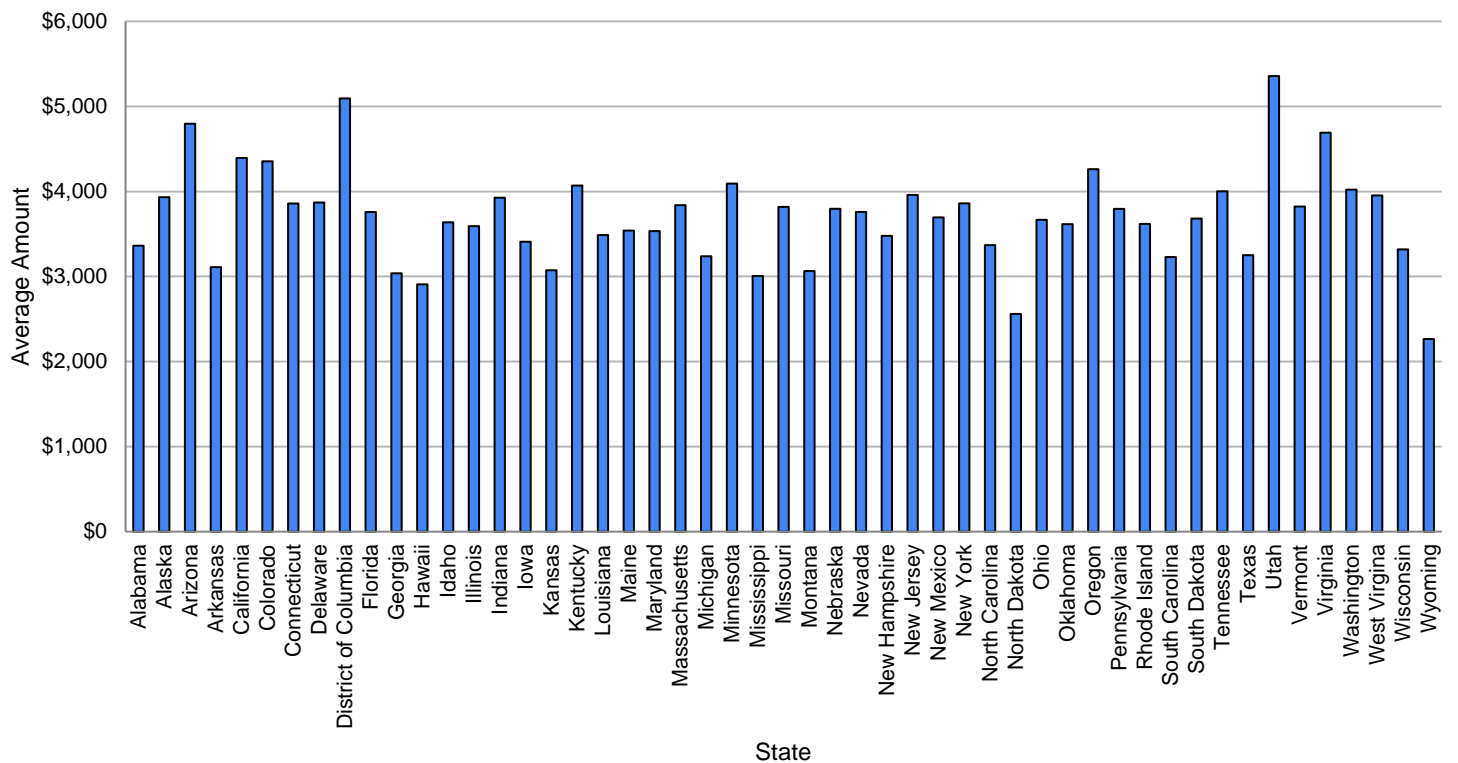
Source: Common Origination and Disbursement (COD) System, available from FSA Data Center.

Federal Direct Subsidized Loan Dollars Disbursed by State (in millions), Award Year 2023-24



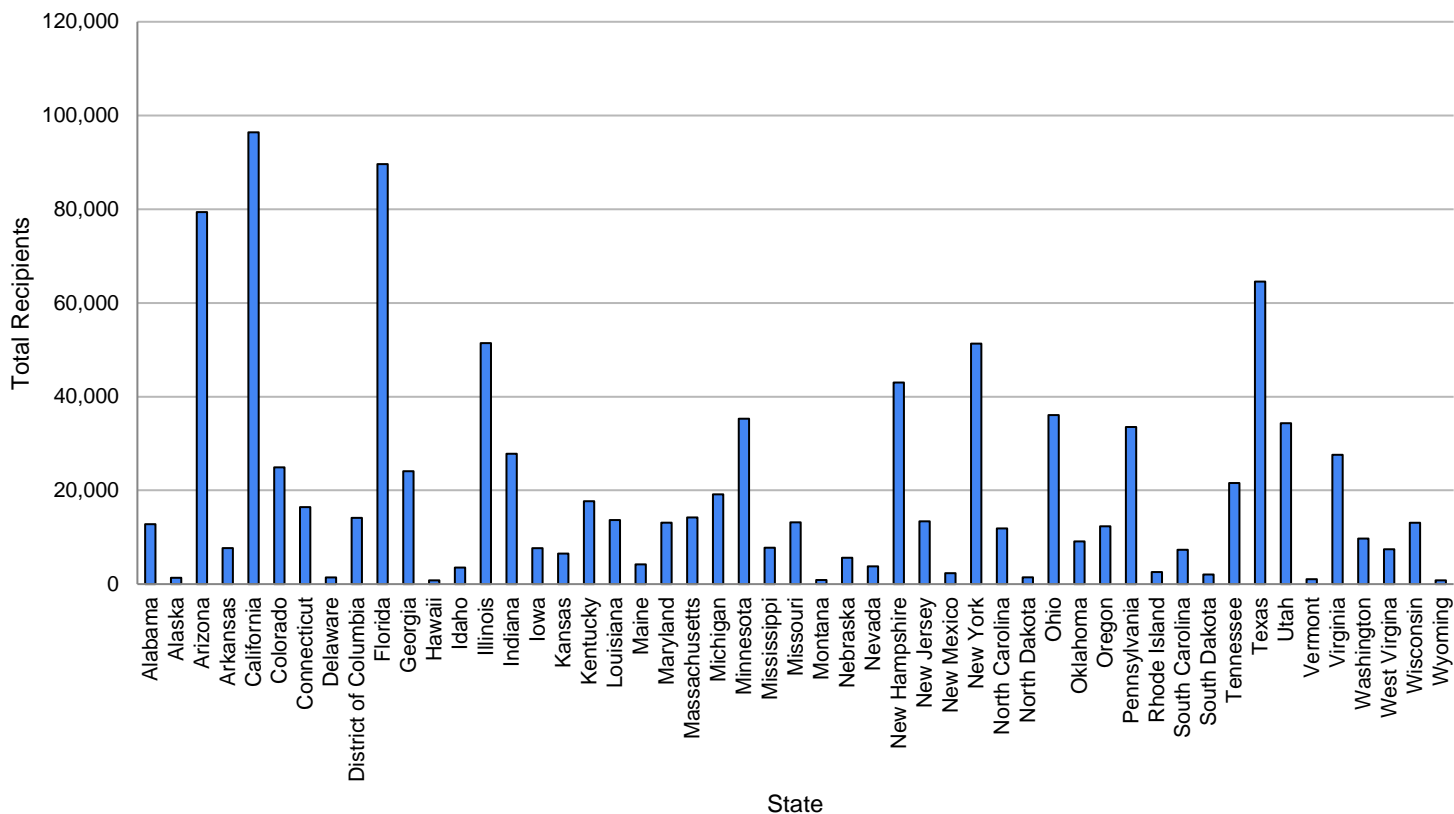
Source: Common Origination and Disbursement (COD) System, available from FSA Data Center.

Average Federal Direct Subsidized Loan Amount by State, Award Year 2023-24



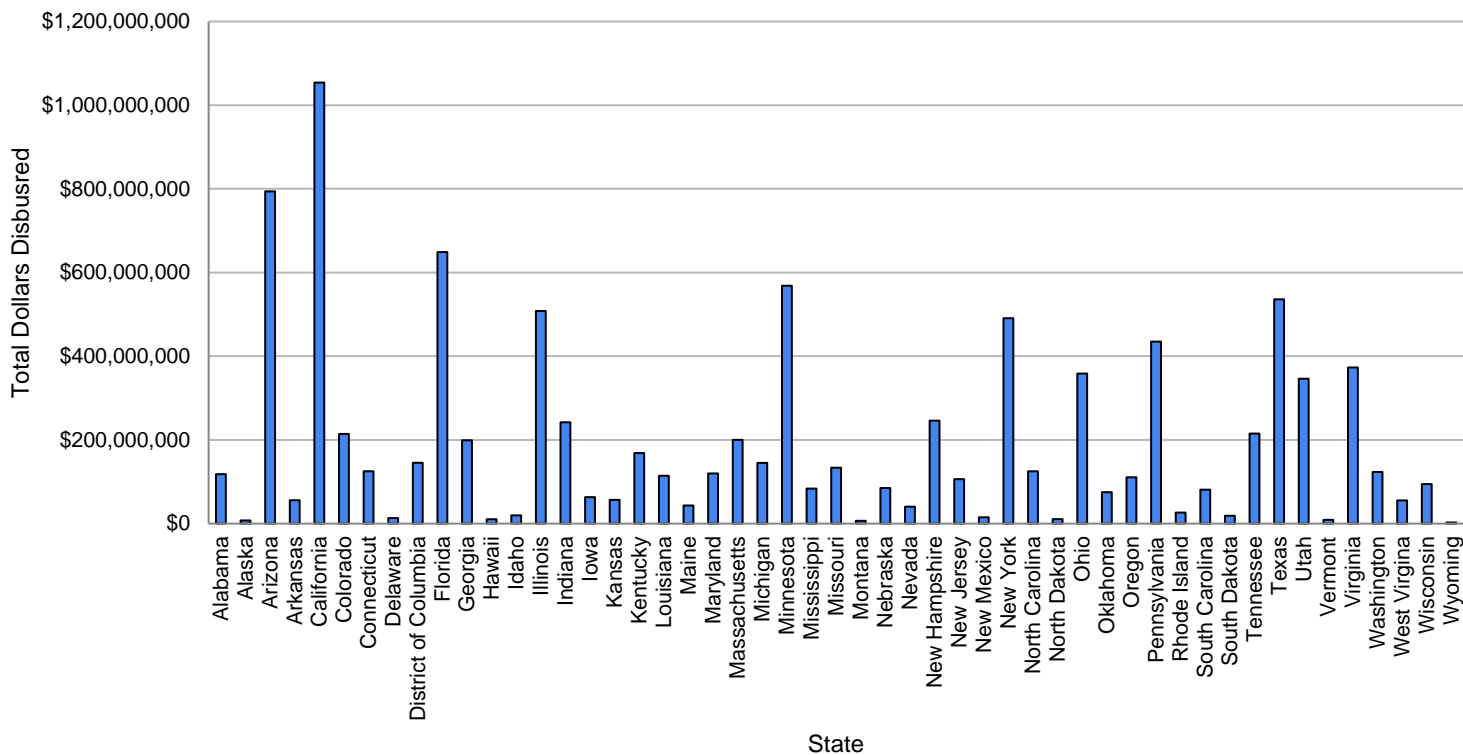
Source: Common Origination and Disbursement (COD) System, available from FSA Data Center.

Federal Direct Unsubsidized Loan Recipients by State, Award Year 2023-24



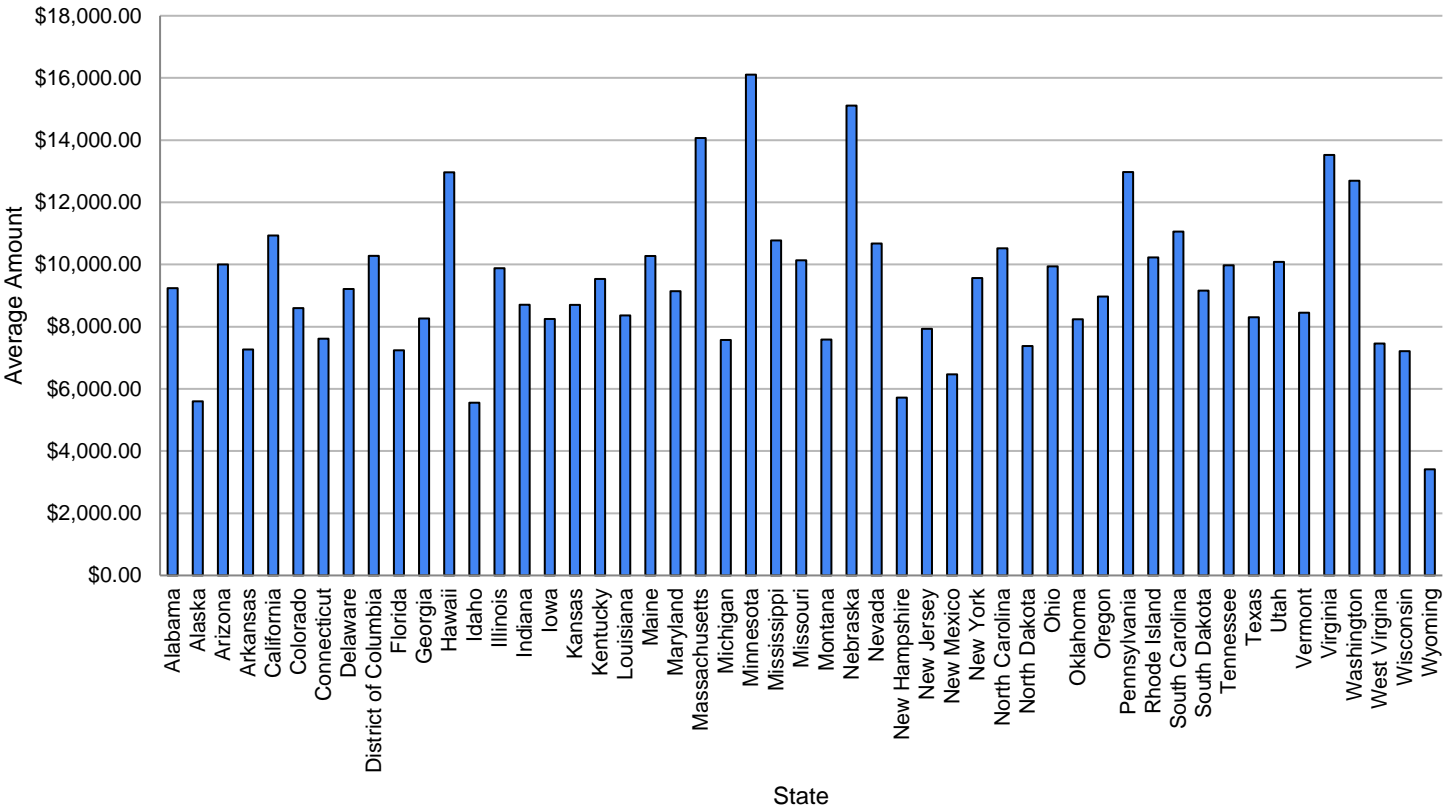
Source: Common Origination and Disbursement (COD) System, available from FSA Data Center.

Federal Direct Unsubsidized Loan Dollars Disbursed by State (in millions), Award Year 2023-24



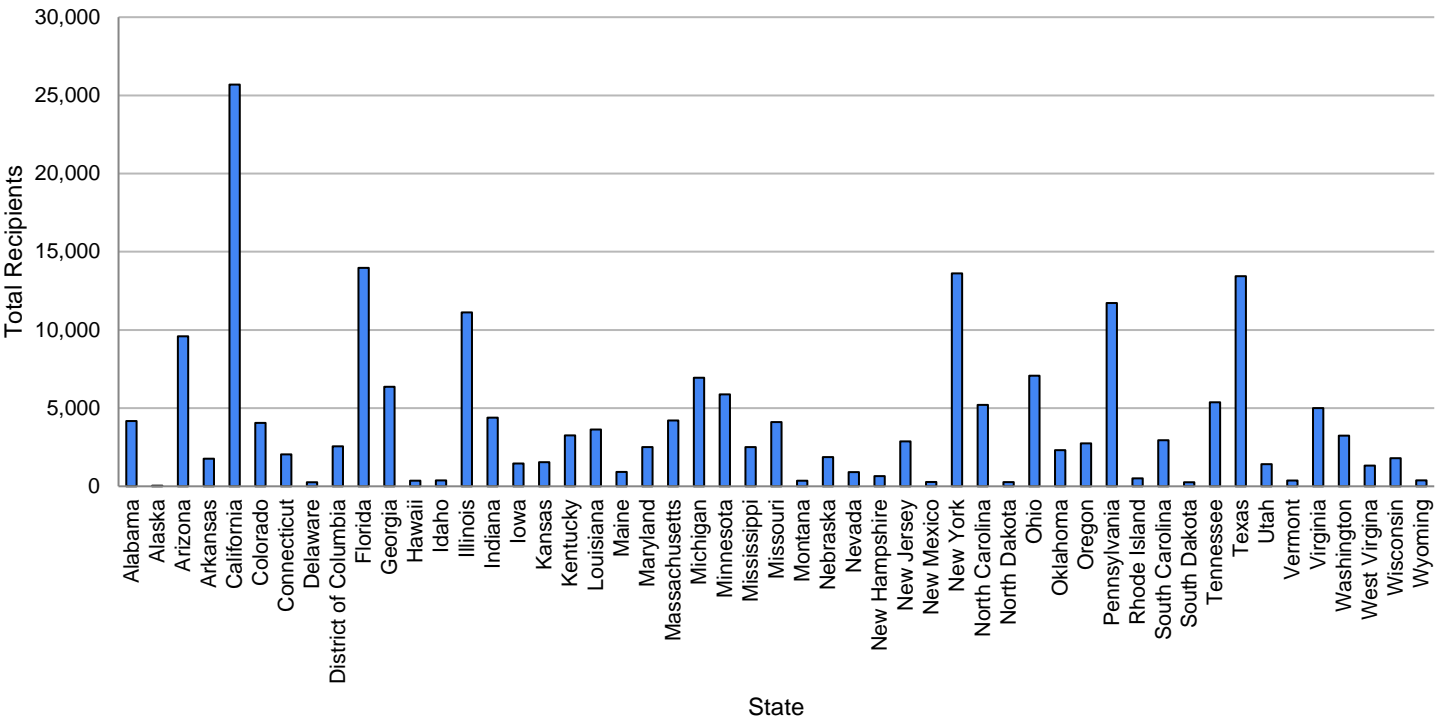
Source: Common Origination and Disbursement (COD) System, available from FSA Data Center.

Average Federal Direct Unsubsidized Loan Amount by State, Award Year 2023-24



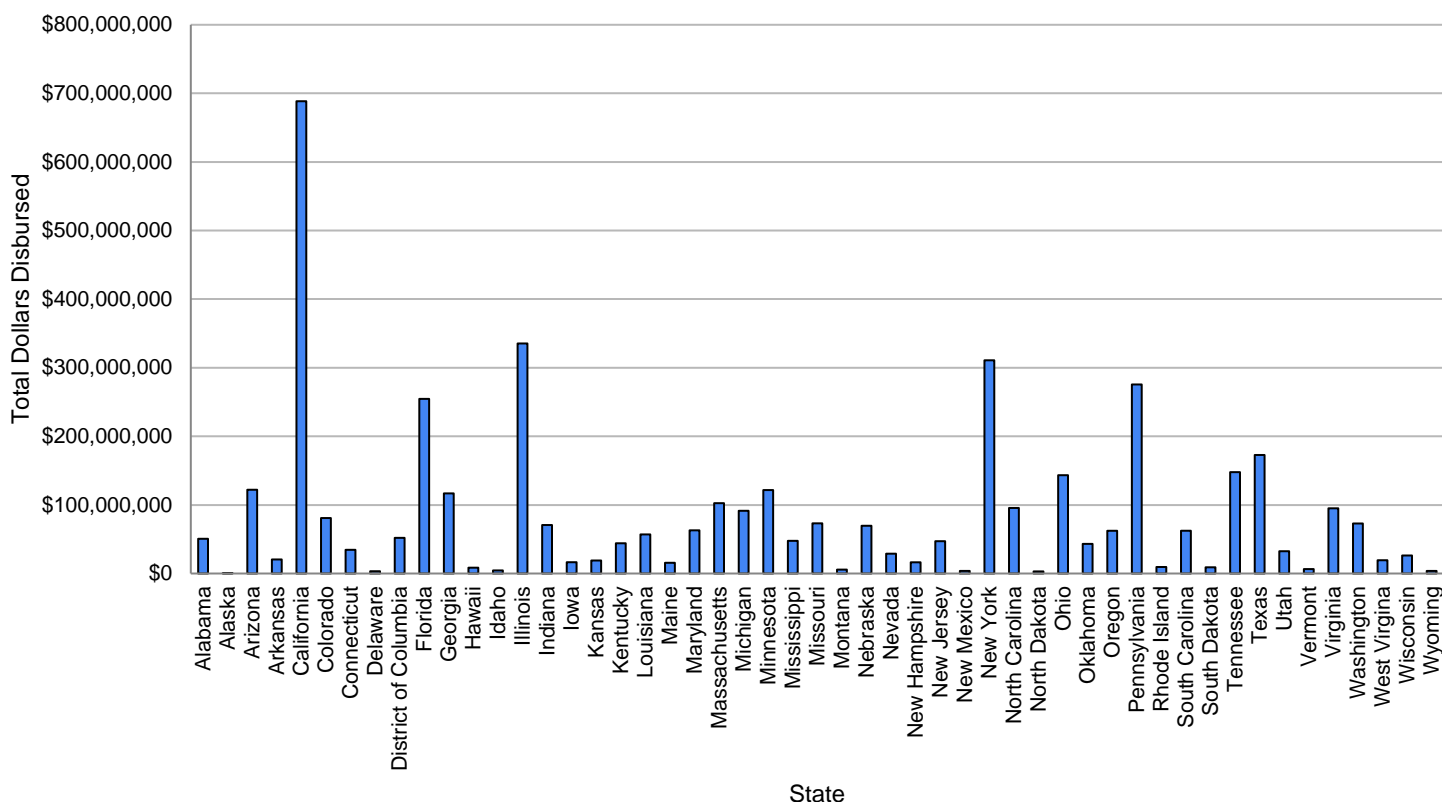
Source: Common Origination and Disbursement (COD) System, available from FSA Data Center.

Federal Direct PLUS Loan Recipients by State, Award Year 2023-24



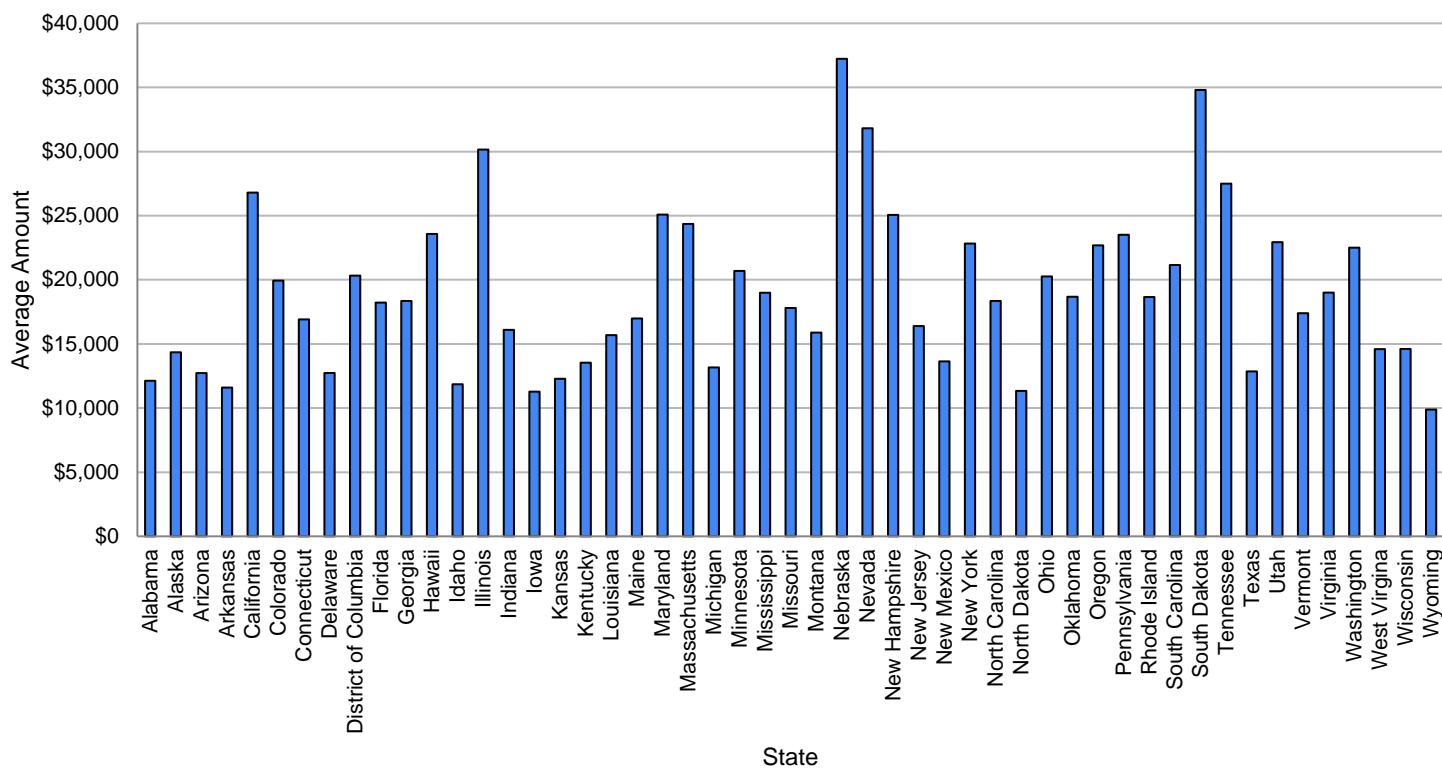
Source: Common Origination and Disbursement (COD) System, available from FSA Data Center.

Federal Direct PLUS Loan Dollars Disbursed by State (in millions), Award Year 2023-24



Source: Common Origination and Disbursement (COD) System, available from FSA Data Center.

Average Federal Direct PLUS Loan Amount by State, Award Year 2023-24



Source: Common Origination and Disbursement (COD) System, available from FSA Data Center.

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Financial Aid Administrators (NASFAA)
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for financial aid administrators;
advocates for public policies
that increase student access and
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throughout all activities.**

