

Student Frequently Asked Questions (FAQ)

Potential Elimination of the Department of Education and Its Impact on Federal Student Aid

NASFAA understands that due to recent discussions around the proposals to eliminate or significantly restructure the Department of Education (ED), students on your campus may be raising questions about their own federal financial aid. This FAQ addresses some basic concerns.

Eliminating a cabinet-level agency like the Department of Education would be a complex and lengthy process requiring Congressional action. It is currently a proposal from the White House announced by executive order, not a definitive plan, and would face significant hurdles. These answers address hypothetical scenarios.

Is the Department of Education being eliminated right now? I heard that most of the staff had been fired.

The Department of Education has recently experienced significant staffing cuts, and we are concerned about how this will impact its ability to administer the programs it is responsible for. However, the department still exists, and critical functions like the FAFSA and distributing student aid funds to schools have not been disrupted as of now. Proposals to eliminate the Department have been made, but turning such a proposal into reality would require new laws to be passed by Congress and signed by the President. This process takes time and would involve significant debate.

Would the Department of Education being eliminated affect my current financial aid for this academic year?

It's highly unlikely that financial aid already awarded and disbursed for this academic year would be affected. Eliminating a federal agency like the Department of Education would be a complex and lengthy process involving new laws and careful planning. It likely wouldn't happen quickly enough to impact aid that's already in place for this school year.

What would happen to federal financial aid programs like the Pell Grant, Federal Work-Study, and federal student loans if the Department of Education is eliminated?

Federal financial aid programs like the Pell Grant, Federal Work-Study, and the Direct Loan program are created and funded by Congress through laws. Eliminating the Department of Education as an agency doesn't automatically eliminate these programs. The functions and oversight of these programs, including distributing funds, are currently performed by ED. Eliminating the Department of Education does not eliminate the programs — it would primarily change who manages them. However, such a major shift could lead to disruptions or changes in how the programs operate.

How would I apply for federal student aid in the future? Would the FAFSA still exist?

The Free Application for Federal Student Aid (FAFSA) is the form used to determine eligibility for federal student aid and is required by law. If ED was eliminated, whatever agency takes over the administration of federal student aid programs would administer the FAFSA.

***Disclaimer:** This information is based on **current federal law, legislative rules, and administrative structures**. Future legislative actions by Congress, changes to Senate rules, executive actions by an administration, legal challenges, or judicial rulings could change the landscape described here.*