

Testimony to the Advisory Committee on Student Financial Assistance
Summer 2015 Hearing Simplification Panel
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Madam Chair and members of the Advisory Committee, thank you for this opportunity to testify on simplification. My organization, the National College Access Network (NCAN), and its almost 400 members and affiliates work in communities across the country to help low-income and first-generation students to and through college. I hope that my testimony, representing the student perspective and experience with the Free Application for Federal Student Aid (FAFSA), will add a valuable viewpoint to this important discussion.

Low-income students aspire to go to college at the same rate as other students but state that financial aid is an important factor at much higher rates. Even though we know the importance of financial aid to students, the sad truth is that 2 million students who would have qualified for federal student aid still do not file the FAFSA, 1.3 of whom would be Pell Grant eligible. These 2 million low-income students are those who can move the needle on college attainment in this country by dramatically raising college attainment rates in the lower income quartiles with the greatest need for growth.

As we open a conversation about FAFSA simplification, I'd like to share details on particular barriers to completing the FAFSA: timing, the Federal Student Aid User ID, the FAFSA itself, and verification process, as well as suggestion solutions to address these barriers.

To walk through this process as a student would, I'll first point out that the timing of this form is inherently misaligned with the college application process for high school students. Most students are deciding to apply to colleges and selecting the colleges to which they will apply in late fall of senior year, months in advance of the January 1 start of FAFSA filing. This is significant in that they are choosing to go and where to go without the benefit of an aid commitment.

Secondly, the current use of income data from the previous tax year creates a significant timing challenge. In short, students face a time crunch to finish family tax filings by early February in order to complete the FAFSA by common March 1 state and institutional priority deadlines. Students unable to complete taxes in time to meet those priority deadlines are forced to use estimates that create further burden down the road to verify the data.

For both of these timing barriers, NCAN is a strong advocate for a shift to use so called "prior prior year" income data to allow fall completion of the FAFSA to align with admission applications and better inform students of their available federal student aid. Further, prior prior year would allow most students to use the IRS data retrieval tool to import currently available tax data to complete the FAFSA. The Secretary of Education currently has authority to make this change.

Once we get to filing, students and parents of dependents must create the new FSA User ID that replaces the former four-digit PIN security. We appreciate the need to protect student data. However, this spring's shift to a new FSA user ID, with its challenge questions and cumbersome user or password reset process – that could include mailing official copies of government –issued ID to confirm identity – have significantly increased – many times doubling - FAFSA completion

times. We are happy to detail some minor adjustments to the process that we hope can maintain data integrity while streamlining the process for filers.

To the actual form, we applaud the great strides we have made in simplifying the FAFSA through the online data-sharing with the Internal Revenue Service and the use of skip logic to tailor the form to only questions applicable to that student. Much has been said about the number of questions, currently 108 plus subparts. Advocates have proposed revisions with as few as two questions, adjusted gross income and number in college, to reduce the burden on students. Research tells us that 30 questions are answered with a non-zero answer by less than 1% of filers. There is certainly opportunity to streamline as well as to seek expansion of current tools such as the IRS data retrieval tool, to balance the sometimes dueling needs of simplification for filers with information needed by states and institutions to award state and institutional aid. Both the Bill and Melinda Gates Foundation and the National Association of Student Financial Aid Administrators have released detailed simplification plans that echo my call for earlier FAFSA completion and an expanded data retrieval tool to important available information rather than asking the student to gather.

Those students who do apply are often discouraged later in the process by burdensome verification requirements to produce tax transcripts, no longer available for online download, and other supplemental documents to verify data provided on the FAFSA. This step is a major contributor to the “summer melt” phenomenon where admitted, packaged students fail to attend by the fall. Using income data from prior prior year would negate the need to estimate on the FAFSA, one of the biggest triggers to put students in the verification process.

In closing, we believe in a continued strong role of the federal government to ensure college access and success for all students. The upcoming reauthorization of the Higher Education Act affords us many opportunities to continue to support the goals of the original Higher Education Act of 1965 as then President Johnson remarked, “[The Higher Education Act of 1965] means that a high school senior anywhere in this great land of ours can apply to any college or any university in any of the 50 States and not be turned away because his family is poor.”

Thank you again for this opportunity to share our thoughts on behalf of first-gen students and the programs that support their success. Please continue to call on us as we can help contribute to your good work.