

national association of state student grant and aid programs www.nassgap.org

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2015-16 Executive Committee

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The Honorable Ted Mitchell, Under Secretary United States Department of Education 400 Maryland Avenue, SW Washington, D.C. 20202

The Honorable James Kvaal, Deputy Director Domestic Policy Council The White House 1600 Pennsylvania Avenue, NW Washington, D. C. 20500

Dear Under Secretary Mitchell and Deputy Director Kvaal:

Thank you for the presentation made by United States Department of Education (the Department) staff and by the Domestic Policy Council staff at the October conference of the National Association of State Student Grant and Aid Programs (NASSGAP). NASSGAP understands from that presentation that the Department is proposing to either mask (change the order in which schools are listed) or discontinue providing state grant agencies with the listing of schools a student provides on the FAFSA. We are aware that several NASSGAP states have already provided feedback on this proposal, as did NASSGAP. However, based on the additional information provided at the conference presentation, we would like to provide decision-makers additional context relative to the potential impact of such decisions on the states and, more importantly, on students who use the FAFSA to apply for federal and state aid.

NASSGAP greatly appreciates the value of FAFSA simplification. We also appreciate the Department's ongoing efforts to allow students to use the FAFSA as the portal for accessing both federal and state need-based financial aid. As you may be aware, a significant number of states use the FAFSA as the sole application for state grants, while others rely on the FAFSA as the primary application, with the goal of facilitating streamlined student access to the approximately \$11.7 billion (2013-14 NASSGAP Survey) in state aid awarded annually. Specific to the student listing of schools on the FAFSA, many state agencies, which provide \$2.5 billion in annual state grants to students use that information on a macro level to complete annual state aid budgets and/or on a micro level to



determine individual student award offers. Based on long histories of tracking the impact of FAFSA data, these states estimate that 75% to 90% of students attend the school they list first on the FAFSA, and this is the school the majority of states that need the student's school list order use in determining budgets and awards.

No longer providing states with the schools listed, or no longer providing the schools *in the order listed by the student*, is anticipated to have costly and confusing impacts to both states and students and seems inconsistent with the very successful efforts, to date, to simplify processes through which students access federal and state aid. Specific impacts anticipated as a result of masking or not providing students' FAFSA school listings include:

- Increased complexity for the students, who are unlikely to grasp that despite the fact that they provided their school lists on the FAFSA, they would now need to provide those lists again directly to their state grant agencies in order for the states to consider them for aid or accurately calculate awards;
- Increased resource demands on states that will need to identify or even divert from other key projects the budget and information technology resources needed to recapture the same information as is available from the FAFSA, based on that information no longer being provided to the states or not being provided in the order that the student listed it;
- The need in some states to create a new state aid application, especially in cases where a state has relied on the FAFSA as the sole application;
- Potential confusion for students and postsecondary institutions, or even unintentional exclusion of students from grant award processing, because the state does not have access to the information that indicates the student's intent to attend a qualifying school in the state.

To the extent that the proposed masking would occur beginning with the FAFSA cycle for the 2017-18 academic year, this change would introduce unnecessary risk and complexity to a cycle that will already present a challenge. States and institutions will be implementing the early FAFSA application cycle and carefully trying to monitor the implementation for unintended consequences, unanticipated problems, and watching for new aid application patterns. Flying blind on student school choices could result in serious harm relative to allocation of state aid, especially for community college students who will often make the decision to apply and enroll later than other students.

In short, no longer providing the states with the unmasked list of schools on FAFSAs creates and imposes a significant burden on many students as well as states, both in terms of increasing application complexity, and in terms of increasing state processing costs and timelines, which ultimately negatively impacts students. NASSGAP understands why the names of other schools listed are no longer being included with the FAFSA information provided to the schools, but we are unable to identify any benefit to not providing this information to the states. Absent a compelling need to mask this information to states, the proposal seems inconsistent with the Department's longtime goal and ongoing efforts to simplify the FAFSA and to partner with states in FAFSA completion initiatives. The states have consistently demonstrated that we are committed to using FAFSA information only in allowable, appropriate ways that enhance student access to financial aid.



We should note that we are aware of the Department's offer, for the 2016-17 FAFSA filing year, to provide additional text direction to students on action needed on their part, relative to providing information about their planned schools of attendance, in order to be considered for state aid. While we certainly appreciate this offer, it does not address the larger issue of the ongoing need to continue collecting this information and the complexity added to the FAFSA by masking or not providing school information to the states.

NASSGAP leadership would like to discuss these concerns with you in more detail, and we would be happy to provide additional information or context relative to the concerns identified by state grant agencies. To that end, please do not hesitate to contact me at (907) 465-6743 or Stephanie.butler@alaska.gov, or contact Frank Ballmann, director of NASSGAP's Washington DC office, at (202) 721-1186 or frank@nassgap.org.

Thank you for your attention to these very grave concerns from the states; it is very much appreciated.

Sincerely,

Stephanie Butler

President

ce: The Honorable Roberto Rodriguez, Deputy Assistant to the President for Education