



# Federal Update: Inside the Beltway

April 10, 2025

# Speaker

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**Jill Desjean**

Director of Policy Analysis

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# Agenda

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- Happenings on the Hill
- Federal Budget & Funding
- FAFSA Progress
- Department of Education Update
- NASFAA Updates



# Happenings on the Hill

# 119th Congress: Senate

**47**

Democrats



28 in office

▨ flipped seat

**53**

✓ Republicans

38 in office



HELP Committee Leaders:

Sen. Cassidy (Chair) and Sen. Sanders (Ranking Member)

# 119th Congress: House

**215**  
Democrats

218  
▼

**220**  
✓ Republicans



▨ flipped seat



House Committee on Education & Workforce Leaders:  
Rep. Walberg (Chair) and Rep. Scott (Ranking Member)

# HEA Reauthorization

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- Last reauthorization in 2008
- House proposals
  - Republicans: *College Cost Reduction Act*
  - Democrats: *Roadmap to College Student Success*
- Senate proposals
  - No recent comprehensive HEA proposals

# What We're Watching

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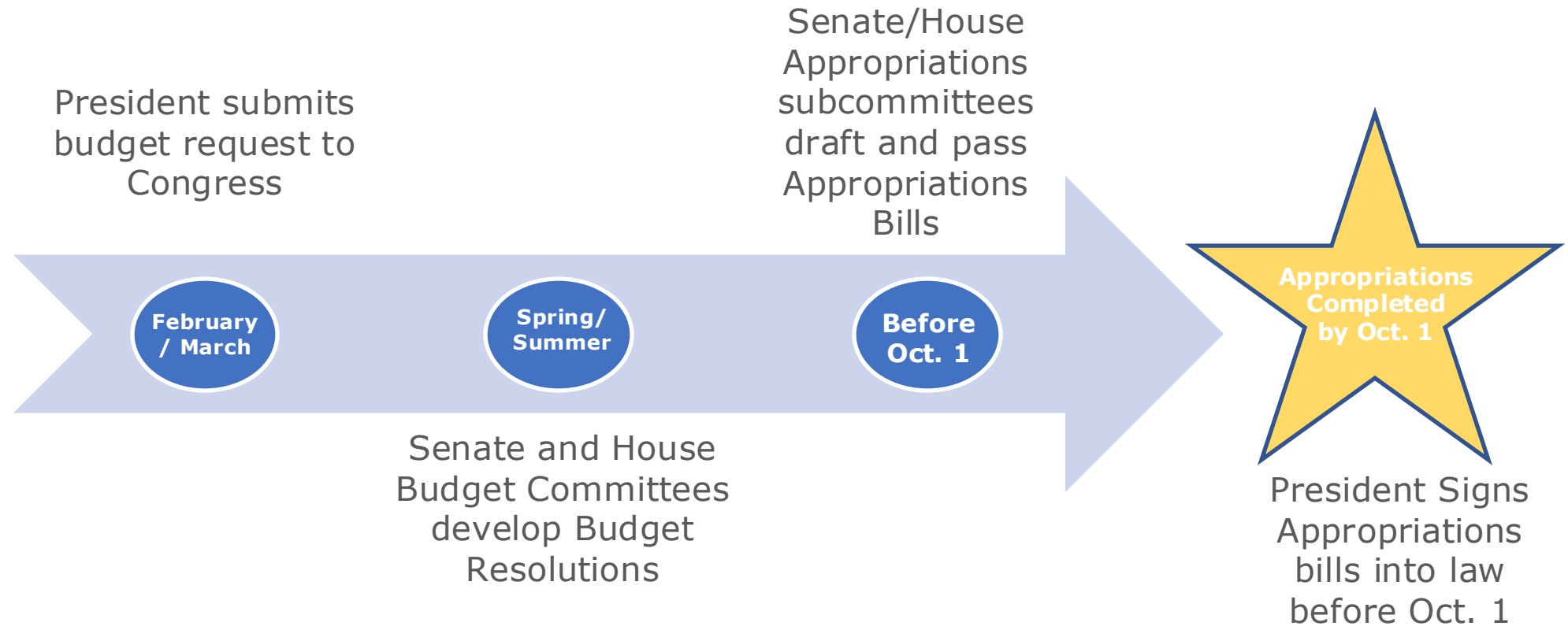
- Bipartisan Workforce Pell Act
- GOAL Act
- Pell Grant shortfall



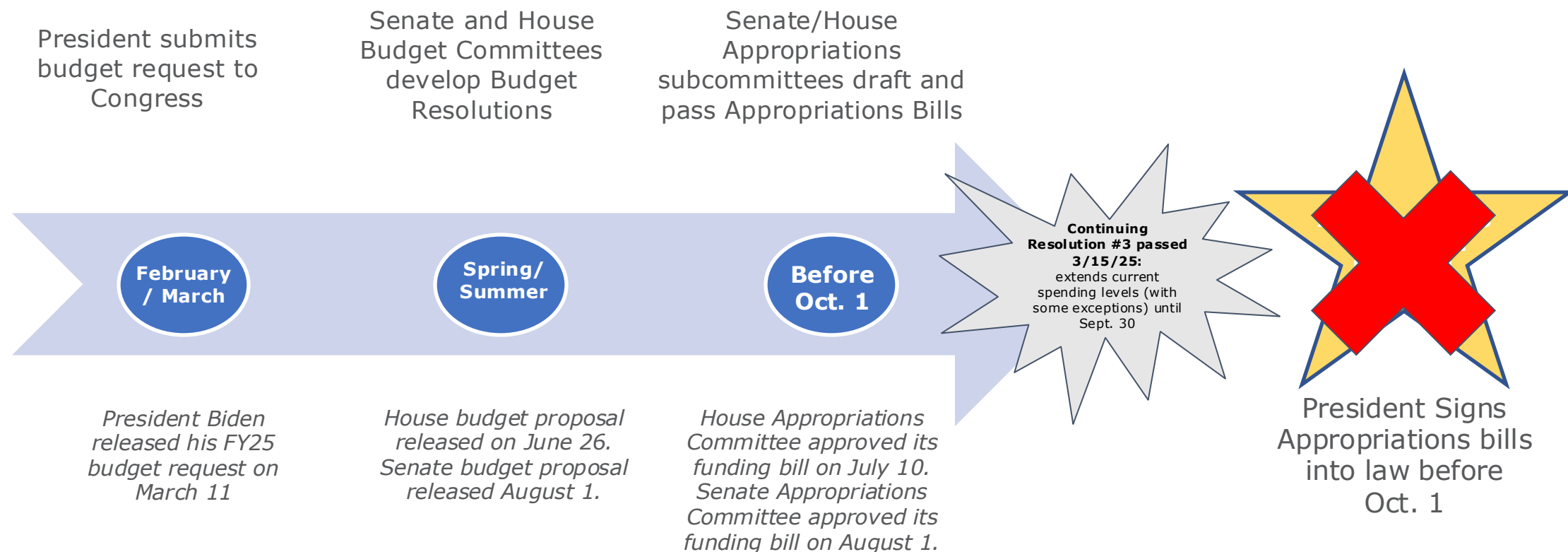


# Federal Budget & Funding

# Annual Budget & Appropriations Process



# FY 2025 Appropriations Process



# FY 2025 Budget Proposals

	Biden Administration	House of Representatives	Senate
Pell Grant	<p><b>\$8,145 Maximum Award</b> \$100 discretionary increase through appropriations process, additional \$650 increase in mandatory funding for students attending public and non-profit institutions</p> <p><b>\$7,495 Maximum Award</b> for students attending proprietary institutions</p>	<p><b>\$7,395 Maximum Award</b> Flat-funds the maximum award No increase over FY 2024</p>	<p><b>\$7,495 Maximum Award</b> \$100 increase over FY 2024</p>
FWS	<p><b>\$1.23 billion</b> No increase over FY 2024</p>	<p><b>\$615 million</b> 50% decrease from FY 2024</p>	<p><b>\$1.23 billion</b> No increase over FY 2024</p>
FSEOG	<p><b>\$910 million</b> No increase over FY 2024</p>	<p><b>\$455 million</b> 50% decrease from FY 2024</p>	<p><b>\$910 million</b> No increase over FY 2024</p>
Student Aid Administration	<p><b>\$2.7 billion</b> \$625 million increase over FY 2024</p>	<p><b>\$1.5 billion</b> 26% decrease from FY 2024</p>	<p><b>\$2.12 billion</b> \$100 million increase over FY 2024</p>

# Potential Path for Reconciliation

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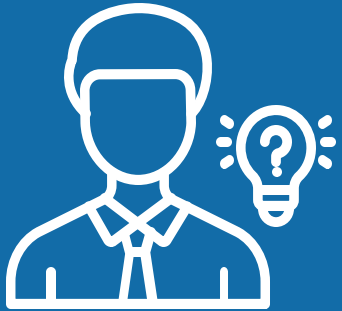
- Reconciliation is a legislative process that allows bills to quickly advance through the Senate
  - Often used in unified government
  - Simple majority to pass
- Reconciliation bill passed by Memorial Day?

# Looking Ahead: FY 2026

- President Trump has not yet released his budget proposal for FY 2026.
- Student Aid Alliance letter requests that Congress protect funding



[https://www.nasfaa.org/news-item/35904/Student\\_Aid\\_Alliance\\_Calls\\_on\\_Congressional\\_Appropriators\\_to\\_Protect\\_Federal\\_Student\\_Aid\\_Programs](https://www.nasfaa.org/news-item/35904/Student_Aid_Alliance_Calls_on_Congressional_Appropriators_to_Protect_Federal_Student_Aid_Programs)



# **FAFSA Progress**

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# Outstanding, Pending, and Recently Resolved Issues

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## Outstanding

- Contributors without SSNs
- V4/V5 results reporting delayed to 26-27

## Pending

- NSLDS Post-screening (expected early May)

## Recently Resolved

- Batch corrections functionality
- Identity Verification functionality



# Recent FAFSA changes

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- Gender question changed for 2024-25 and moving forward as of Feb 14, 2025
- 2026-27 FAFSA release expected October 1, 2025
- No FAFSA Demo site for 2026-27

# NASFAA's 26-27 FAFSA Comments

- FAFSA Data for Intended Uses Only
- Applicants whose Contributors Lack an SSN
- High School Completion Status
- Unaccompanied Homeless Youth
- College Grant and Scholarship Aid
- Education Tax Credits
- Net Worth of Businesses & Investment Farms
- Family Size
- Contributor Invitation Process
- Reinstate
  - Student Housing Choice Question
  - Option for Independent Students to Report Parent Data



Slide 18 © 2024 NASFAA



# Mixed-Status Families

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- Public concerns on FAFSA data being used for immigration enforcement
- NASFAA is gathering facts to determine potential risks
- Individual decisions for families as to whether they should complete FAFSA





# Department of Education

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# Trump Admin Dept of Education

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Secretary of Education,  
Linda McMahon



Under Secretary of Education,  
Nicholas Kent



Acting Chief Operating Officer,  
FSA  
James Bergeron

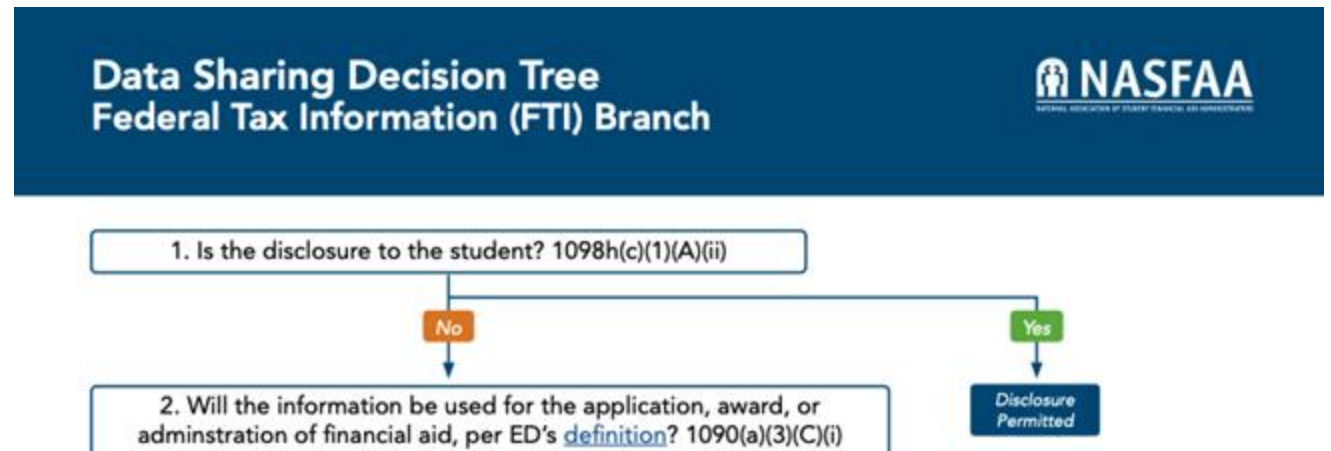
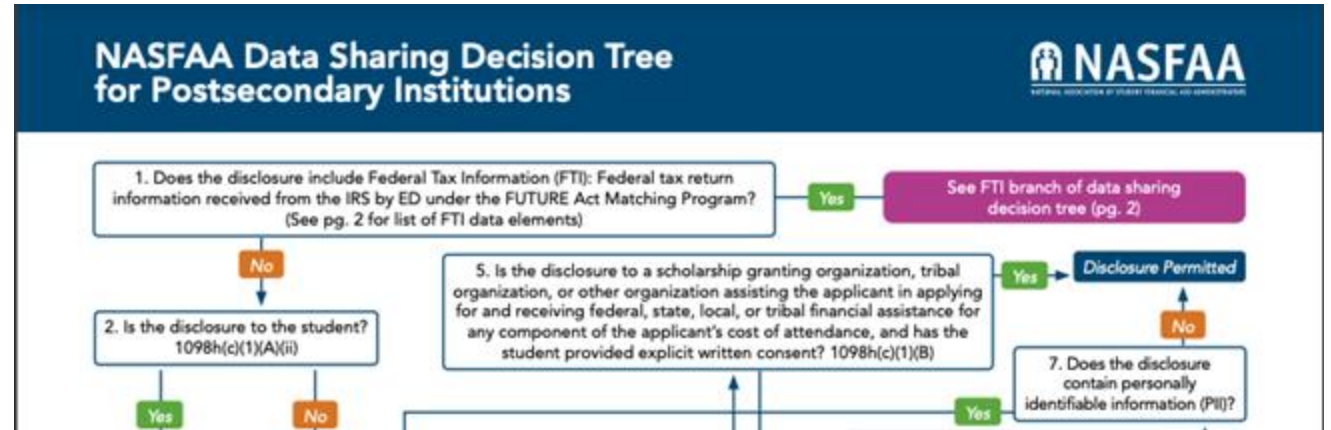
# SAVE Plan

- Created through neg reg; published summer 2023
  - Blocked by courts: July 2024
    - Biden appeal
  - Injunction affirmed by appellate court: Feb 2025
  - IDR applications were taken offline and processing stopped



# Data Sharing

- Feb 2025 expanded definition Federal Tax Information (FTI)
- Includes **total income** fields



# In the News

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- DCL on race-based programming
- PSLF Executive Order
- Reduction in Force
- EO to Dismantle Dept of ED



# 2025-2025 Negotiated Rulemaking

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- Intent to establish negotiated rulemaking committees
  - PSLF
  - PAYE and ICR plans
  - Streamlining regulations

# Financial Value Transparency/Gainful Employment

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GE/FVT deadline extended to September 30, 2025

- Fourth extension
- Applies to both completer's lists and institutional reporting
- Final (?) extension for GE/FVT reporting



# **NASFAA Update**

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# Meet NASFAA's New President and CEO

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## Melanie Storey



- Takes office as NASFAA's next President & CEO on May 1.
- Melanie brings decades of experience in federal higher ed policy and implementation & deep knowledge of financial aid operations, innovative leadership, and operational management.
- Melanie's experience at ED's Office of Federal Student Aid will be a valuable asset to our association, as will her significant experiences in the higher education association/nonprofit space



**COLLEGE COST  
TRANSPARENCY INITIATIVE™**



NASFAA — along with 10 higher education associations representing college presidents, financial aid offices, enrollment managers, and admissions counselors — launched a task force with the goal of creating a set of principles and standards about what information should be included in institutional aid offers so the resulting documents are clear, meet high standards of transparency, and contain consumer friendly information, while still allowing for institutional customization.

**692**

**PARTNER  
INSTITUTIONS**

**6,730,625**

**STUDENTS  
SERVED**

**50**

**STATES, PUERTO  
RICO & GUAM  
REPRESENTED**

# Prison Education Program (PEP) Web Center

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NASFAA's PEP Web Center includes resources, trainings, and news related to the implementation of financial aid in carceral settings.

The Web Center is regularly updated with the latest webinars, reference sheets, articles, and more.



# Advancing the Profession Toolkit

The purpose of this toolkit is to provide a resource for financial aid directors to use within their offices to ensure they have a voice in institutional decision-making.



Transparency on what financial aid staff does



Justification for professional development and training



Staffing and succession planning resources



Advice on cultivating a healthy office culture



Relationship and coalition building



Media training

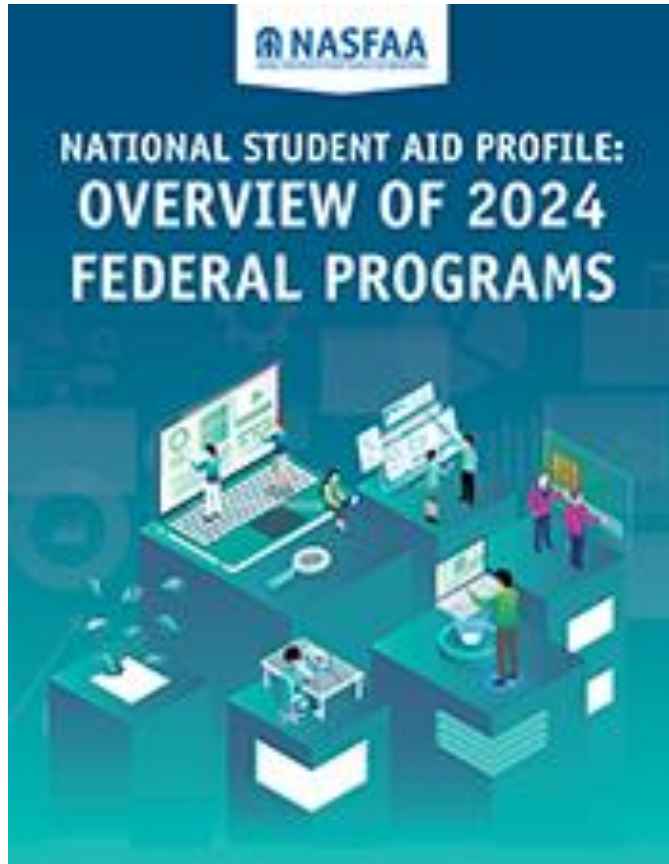
# NASFAA's HEA Priorities



In January 2023, NASFAA published its updated recommendations for HEA reauthorization, including an overview of NASFAA's top HEA priorities and a complete list of our HEA reauthorization positions.



# National Student Aid Profile



The National Profile provides detailed information about each of the programs authorized under Title IV of the HEA, including:

- Descriptions of the federal student aid programs;
- Updated data on the number of recipients, total volume of awards, and average aid amount for each program;
- Recent trends in federal appropriations for the Title IV programs;
- Income levels of students and families who receive aid; and
- A description of the federal student aid application process

# NASFAA State Advocacy Toolkit

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NASFAA developed the State Advocacy Toolkit to provide resources and materials to support state-level advocacy for regions, states, institutions, and individuals interested in becoming more engaged in state-level student aid policy.



# Advocacy Opportunities

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## VOLUNTEER

Advocacy Pipeline



Policy Task Forces



Get Students Involved!



## STAY INFORMED!

Read NASFAA's Today's News and Policy and Advocacy pages on [nasfaa.org](https://nasfaa.org)

## INTERACT WITH CONGRESS

Share your advocacy efforts with NASFAA so we can support and assist you

Every two years in Congress means new states in the mix!

# Questions?

Save  
THE  
Date



ANAHEIM, CA | JUNE 24-27



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NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS

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# Links

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**Student Aid Funding Call to Action:** [https://www.nasfaa.org/student\\_aid\\_funding](https://www.nasfaa.org/student_aid_funding)

**NASFAA FAFSA Comments:** [https://www.nasfaa.org/uploads/documents/Comments\\_2026-27\\_FAFSA\\_60\\_Day\\_April\\_25.pdf](https://www.nasfaa.org/uploads/documents/Comments_2026-27_FAFSA_60_Day_April_25.pdf)

**Mixed Status Families:** [https://www.nasfaa.org/mixed\\_immigration\\_statuses\\_fafsa](https://www.nasfaa.org/mixed_immigration_statuses_fafsa)

**Data Sharing:** [https://www.nasfaa.org/uploads/documents/Data\\_Sharing\\_Decision\\_Tree\\_Dec\\_2024.pdf](https://www.nasfaa.org/uploads/documents/Data_Sharing_Decision_Tree_Dec_2024.pdf)

**Negotiated Rulemaking Web Center:** [https://www.nasfaa.org/Negotiated\\_Rulemaking](https://www.nasfaa.org/Negotiated_Rulemaking)

**The College Cost Transparency Initiative:** [www.collegeprice.org](http://collegeprice.org)

**Prison Education Program (PEP) Web Center:** <https://www.nasfaa.org/pep>

**Advancing the Profession Toolkit:** [http://nasfaa.org/atp\\_toolkit](http://nasfaa.org/atp_toolkit)