

Ten Important Changes Coming with the 2024-25 FAFSA

FAFSA simplification, being referred to as “Better FAFSA, Better Future” by Federal Student Aid (FSA), will result in a completely revised and simplified FAFSA. The new “Better FAFSA” will have fewer questions and will be easier to complete. More security has been built into the redesigned process, specifically related to the creation and use of Federal Student Aid (FSA) IDs. Here are a few highlights of the many important changes.

1. The 2024-2025 FAFSA will be delayed.

The 2024-2025 FAFSA will not be released until **December**; the exact date is not yet known.

2. Goodbye, EFC.

The Student Aid Index (SAI) will replace the Expected Family Contribution (EFC).

3. Everyone entering information on the FAFSA will need an FSA ID.

Everyone who will be providing information on the FAFSA will need an FSA ID to access the form. **New this year:** people without a Social Security Number (SSN) will be able to obtain an FSA ID. We will learn more about the process of obtaining FSA IDs for those without an SSN in August.

4. FSA ID will need to be matched with the Social Security Administration prior to use.

FSA ID information (name, date of birth, and Social Security Number) has always been matched against Social Security Administration records. Currently the process has allowed individuals to use their FSA ID to file a FAFSA while the match was taking place. However, starting with the 2024-2025 FAFSA, this will no longer be the case. An FSA ID will need to be created and matched with the SSA before it can be used to start or access a FAFSA. The matching process will take 1-3 days.

5. FSA ID two-step verification will be required for all.

Everyone who attempts to use their FSA ID to access a 2024-25 FAFSA will go through a two-step verification process. It will no longer be possible to log into a FAFSA using student demographic information. When setting up an FSA ID, individuals should take advantage of every type of verification available (email, text, and authentication apps) so that completing the two-step verification will be easier.

6. The FAFSA will be a roles-based form.

Individuals (student/parent/spouse) providing information on the FAFSA will see only questions related to their role. When a student logs in, they will see only questions that they need to answer as a student. For dependent students, a parent will need to log in to see the questions related to their role as a parent. (They will not see the student questions.) Whoever starts the FAFSA first will need to identify the “contributors” (other people who need to provide information on that FAFSA). It will be **critical** that contributor information match the information on the contributor’s Social Security card to prevent issues logging into the FAFSA.

Get the latest information on the 2024-2025 FAFSA:

FAMEmaine.com/betterFAFSA

7. Number in college will have no impact on federal financial aid eligibility.

The Student Aid Index (SAI) formula will no longer be divided by the number in college. Students with multiple siblings in college may see an increase in their SAI even with no change in income.

8. Asset exemptions are changing.

Families who receive any federally means-tested benefits (i.e. TANF, SNAP, SSI, etc.) will not be required to provide any asset information. Only families with an adjusted gross income greater than \$60,000 (up from \$50,000) or those who filed certain tax return schedules will be required to provide asset information. For those required to provide asset information, there will no longer be an exemption for reporting a small family-owned business or family farm value, though primary residence and retirement plan exemptions do still exist.

9. Pell Grant eligibility will be expanded.

Pell Grant eligibility will continue to be calculated based on the SAI (similar to how it has been based on the EFC) but will also be determined using Federal Poverty Tables which take into account the family make-up, size, and income. Poverty table guidelines will be used to determine eligibility for maximum and minimum Pell Grants.

10. Pell Grant eligibility will be more transparent.

Because one pathway to determining Pell Grant eligibility will be based on the poverty tables, it will be possible to establish whether a student is eligible for a minimum or maximum Pell Grant even before a FAFSA has been filed. Federal Student Aid (FSA) will be releasing a new resource called the Pell Lookup Table which will allow students and others to determine minimum or maximum Pell Grant eligibility based on their family make-up, household size, and adjusted gross income. This early awareness tool will hopefully encourage more lower income students and families to file the FAFSA.