

Submitted electronically via [www.regulations.gov](http://www.regulations.gov)

May 31, 2016

Ms. Stephanie Valentine  
Acting Director  
Information Collection Clearance Division  
U.S. Department of Education  
400 Maryland Avenue, SW, LBJ  
Room 2E-105  
Washington, DC 20202

Docket No.: ED-2016-ICCD-0036

Dear Director Valentine:

On behalf of the National Council of Higher Education Resources (NCHER), thank you for the opportunity to provide our comments on the 2017-2018 Free Application for Federal Student Aid (FAFSA).

NCHER is a national, nonprofit trade association that represents higher education service agencies (such as state and nonprofit guaranty agencies, loan servicers, secondary markets, lenders, financial literacy providers, collection agencies, and postsecondary institutions) that help families and students develop, pay for, and attain their educational goals so they can pursue meaningful and rewarding work and become contributing members of society. NCHER members provide a range of college access and outreach services and programs to students, parents, schools, and community organizations to help individuals gain access to and succeed at postsecondary education. This includes financial aid awareness, consumer education, FAFSA completion services and events, borrower assistance, ombudsman support, training and assistance programs to high school counselors and financial aid administrators, and a wide range of programs and services on budgeting, establishing good credit, paying for college, and successfully managing debt.

NCHER's comments are focused on efforts to streamline and simplify the FAFSA and issues related to clarity and consistency between the paper and online forms, along with certain questions that continue to be confusing for students and families. Our members also remain concerned about the drop in the number of FAFSAs submitted this year compared to prior years. While we fully understand and support the importance of protecting personally identifiable information, we believe students and families are having difficulty with the new FSA ID creation and retrieval process. We understand the Department is currently reviewing this process and hope you will consider the recommendations included in our comments related to the FSA ID creation and retrieval process along with suggestions for improved messaging.

Thank you again for the opportunity to provide recommendations on the proposed FAFSA along with suggestions on how best to address the challenges in the FSA ID creation and retrieval process. NCHER looks forward to continuing to play an active role in simplifying and streamlining the federal financial aid system based on our unique role in our states and communities. If you have any questions or need additional information, please feel free to contact me at [jbergeron@ncher.us](mailto:jbergeron@ncher.us) or 202/822-2106.

Sincerely,

A handwritten signature in black ink, appearing to read "J P Bergeron". The signature is fluid and cursive, with a long horizontal stroke at the end.

James P. Bergeron  
President

**NCHER Recommendations on the Proposed 2017-2018  
Free Application for Federal Student Aid (FAFSA)  
ED-2016-ICCD-0036**

FAFSA Question 11

**11. Your driver's license number and driver's license state (if you have one)**

NCHER Response: We recommend this question be eliminated. It is an optional question and our members are not aware of any postsecondary institution or state grant agency using this field to determine eligibility for aid or for any other cross matching purposes.

FAFSA Questions 24 and 25

**24. Highest school completed by Parent 1**

**25. Highest school completed by Parent 2**

NCHER Response: We recommend the addition of "biological" prior to parent - for consistency and clarity purposes. The current online instructions direct students to provide information about their biological parent for these questions. There are no instructions on these questions on the paper FAFSA. These are the only questions that ask specifically about biological parents. If the intention is to gather biological parent information to help identify first-generation college students, it would be helpful to precede Parent 1 and Parent 2 with "biological." Without this clarification, many students are providing information about their stepparent, adoptive parent, etc.

We also recommend the deletion of the current option #3 (College or beyond) and the addition of two new options: *Certificate or Associate* and *Bachelor's degree or beyond*. Students are confused by the wording "College or beyond." If the intention of this question is to identify students who may be first-generation college students and given that the definition of first-generation varies, it would be helpful to distinguish between the completion of an Associate's degree versus a Bachelor's degree.

The revised questions would read as follows:

*24. Highest school completed by biological Parent 1      ~~College or beyond~~  
Replace with Certificate Program or Associate Degree (e.g. community college, 1-2 years)*

*25. Highest school completed by biological Parent 2      ~~College or beyond~~  
Replace with Bachelor's Degree (college or university, 4 years or more)*

FAFSA Question 27

**27. High School Name**

NCHER Response: We recommend the addition of "Year of High School Graduation" to this question. The importance of tracking FAFSA completion numbers has been emphasized by Federal Student Aid (FSA). To support this effort, FSA created a FAFSA Completion by High School page, which encourages high schools to track FAFSA submissions and completions. Data from this page has also been used in a recent National College Access Network FAFSA Completion Grant application. The challenge is that the

data is based on assumptions as to which students are current high school seniors (first-time filing applicants no older than 18 who will have received their high school diploma by the start of the school year for which they are applying for aid). These assumptions are not always accurate for two primary reasons: there are many high school seniors who are 19 and many high school seniors who have taken early college classes fail to answer as “Never attended college and 1<sup>st</sup> year undergraduate” and instead answer “Attended college before and 1<sup>st</sup> year undergraduate.” Assumptions would no longer be needed simply by adding “Year of High School Graduation” to the FAFSA.

The revised question would read as follows:

*27. What is the name of the high school where you received or will receive your high school diploma? Enter the complete high school name, and the city and state where the high school is located, as well as the year you did or will graduate from high school.*

*High School Name*

*High School City*

*State*

*Year of High School Graduation*

#### FAFSA Question 31

**31. Are you interested in being considered for work-study? 1) Yes 2) No 3) Don't know.**

NCHER Response: We propose this question be removed from the FAFSA. The original intent of the question was to provide each school listed on the FAFSA a list of students to assign a potential work-study award and for the student to receive an award letter. The flag was collected on the ECAR transmission and the student's Institutional Student Information Record. The process created two unintended consequences. First, students demonstrated hesitancy to affirm consideration for work-study since they could see a reduction in grant opportunities within their award packages. Second, students were additionally inconvenienced with additional phone calls by financial aid administrators questioning work-study opportunities too early in the awarding cycle.

Financial aid administrators are also impacted by question 31 remaining in the FAFSA query with no benefit. School-based software systems capture the work-study flag, but large public and private institutions have largely adopted automatic awarding or separate work-study policies to efficiently award funding under the program. Since financial aid offices do not rely on the question 31 query as the indicator for work-study awarding, it is our recommendation to eliminate the question.

#### FAFSA Questions 44 and 93

**44. Students Financial Information**

**93. Parents Financial Information**

NCHER Response: In Step Two of the student information section, we recommend combining questions 44c and 44f for the student. In Step Four of the parental information section, we recommend combining questions 93c and 93f for the parent(s). These combinations will help to simplify the FAFSA since both items c and f address earnings from student-related employment and are treated the same in the need analysis formula.

Items on both questions would be combined as follows:

*Taxable earnings from need-based employment programs, such as Federal Work-Study, need-based employment portions of fellowships and assistantships, and work under a cooperative education program offered by a college.*

#### Step Six (Student)

##### **Indicate which colleges you want to receive your FAFSA information.**

NCHER Response: Last year, the Department of Education announced it would no longer share the tally or order of schools that a student lists on the FAFSA with institutions of higher education, addressing the issue that some institutions used the information in sizing financial aid awards and/or making admissions decisions. The Department announced in December 2015, that beginning with the 2017-18 FAFSA cycle, it would no longer share the school list order with state grant agencies. This policy will greatly complicate the financial aid process for students and disrupt the delivery of state grant aid in 15 states that provide approximately \$2.5 billion in annual state student grant aid. The Department has provided no rationale or justification for discontinuing the sharing of this information with its state agency partners. Many states need the school order, which is a reliable predictor of where a student will go, to accurately project the size of state budget requests. Cutting off this flow of information to the states in the first year of the Early FAFSA (making the FAFSA application available on October 1, 2016, rather than January 1, 2017) will make providing awards to students that much more challenging when one of the stated goals of the initiative (and of using prior-prior year tax information) is to provide students with an earlier awareness of their eligibility for grant aid to pursue their postsecondary educational goals. NCHER strongly recommends the Department continue to provide state grant agencies access to the school list order.

NCHER also supports the recommendation made by the National Association of State Student Grant Aid Programs to the FAFSA Step Six student instructions. The revised instructions would read as follows:

*Enter the six-digit federal school code and your housing plans for each college or school you want to receive your FAFSA information. You can find the school codes at [www.fafsa.gov](http://www.fafsa.gov) or by calling 1-500-433-3243. If you cannot obtain a code, write in the complete name, address, city, and state of the college. All of the information you included on your FAFSA, with the exception of the list of colleges, will be sent to each of the colleges you list. ~~as well as your state student grant agency.~~ It does not matter in what order you list your selected schools. For state aid, you may want to list your preferred college first. To find out how to have more colleges receive your FAFSA information, read **What is the FAFSA?** on page 2.*

#### Step 7

##### **Paid Preparer Information**

NCHER Response: The wording on the paper FAFSA is clear with regard to this question; however, the online version of the FAFSA is not clear. For consistency and clarity purposes, we recommend that the online version read similar to the paper FAFSA.

The revised question would read as follows:

*Did you or your family pay a fee to a preparer to help you complete the FAFSA? Yes or No*

#### Federal Student Aid ID

NCHER Response: We understand and support the need for a higher level of security and greater protection of personally identifiable information than was provided by the prior use of PIN. However, the new FSA ID enrollment process has created a number of challenges for students and parents and has impacted FAFSA completion for both new and returning students for the 2016-2017 academic year. We know the Department of Education is reviewing this process and recommend the following ideas and recommendations related to the FSA ID creation and retrieval process.

- When trying to retrieve a username or reset a password, is it possible to show the questions independently rather than all together?
- Is it possible to offer additional instructions within the error messages? In some instances, the issue is with the FSA ID; in other instances, it is with the information that was entered in the FAFSA (for example, the date of birth or the social security number was incorrectly entered). If the error message could provide additional instructions on what is not matching as well as information to resolve the error that would be helpful to students and families.
- Is it possible for the user to receive a text message for the password reset rather than waiting 30 minutes for the reset/retrieval?
- Is it possible to designate a specific FSA ID hotline and list that number when an error message related to the FSA ID is shown? Currently, the number listed in the FSA ID FAQ's is answered as the Student Loan Support Center. Additionally, when an individual calls 1-800-4FEDAID, the user is instructed to dial 2 if the question relates to the FSA ID. That also results in the call being answered as the Student Loan Support Center. Having the phone answered as the Student Loan Support Center creates confusion and could result in some students deciding not to complete the FAFSA for fear that they are borrowing a federal student loan simply as a result of completing the FAFSA.

In addition, we suggest that the language on the FSA ID creation page be strengthened in order to fully inform and remind users of the importance and implications of the FSA ID creation process. It would be helpful to include language on the initial creation page as well as on subsequent pages to alert users as they enter key information. For example, the following is suggested language that could be used on the "Create A New FSA ID" page and edited to be stated again on appropriate pages moving forward:

***PLEASE READ THE FOLLOWING IMPORTANT INFORMATION BEFORE CREATING YOUR FSA ID:***

- Your FSA ID is your permanent identification for Federal Student Aid and will be used for all future FAFSA applications and for Federal Direct Loans, should you choose to borrow.
- Your FSA ID is tied to your Social Security Number so you cannot simply create a new one if you forget your username and password.
- Be sure you enter your information carefully and create a username, password, and challenge questions/answers that you will remember in the future.
- Retrieval of forgotten or locked FSA ID information is easiest if you have a verified email address; if possible, use a non-school email address that you will continue to use in the future.