

October 12, 2015



405 14th Street  
Suite 1100  
Oakland, CA 94612  
510.318.7900  
[www.ticas.org](http://www.ticas.org)

Director of the Information Collection Clearance Division  
U.S. Department of Education  
400 Maryland Avenue SW, LBJ, Room 2E105  
Washington, DC 20202-4537  
(submitted electronically via: <http://www.regulations.gov>)

Re: Docket ID ED–2015–ICCD–0101

Dear Director,

In response to the Federal Register notice published on August 12, 2015, I am writing to comment on the draft paper and online versions of the Free Application for Federal Student Aid (FAFSA) that the Secretary proposes to use for the 2016-17 award year.

The Institute for College Access & Success (TICAS) is an independent, nonprofit organization that works to make higher education more available and affordable for people of all backgrounds. Through nonpartisan research, analysis, and advocacy, we aim to improve the processes and public policies that can pave the way to successful educational outcomes for students and for society.

Our goal in submitting these comments is to ensure that applying for student aid is as easy as possible for students and their families. The Administration has already taken many steps to simplify the FAFSA, including the recently announced move to prior-prior year data, which means that students will be able to apply for aid earlier and more easily, and make better informed decisions about where to apply and how to pay for college.<sup>1</sup> TICAS has been calling for this much-needed timing fix since 2007, and we urge the Department to ensure that aid applicants and all stakeholders who work with them are aware of these important changes for 2017-18. We have also recommended ways to further simplify the financial aid application process by eliminating 20 burdensome FAFSA questions,<sup>2</sup> which we recognize is beyond the scope of this information collection.

We appreciate that the Department has continued to improve the process of applying for federal aid by incorporating our October 2014 suggestion to move “What is the FAFSA?” (formerly on page 10) to page 2 to provide important contextual information at the beginning of the paper FAFSA; and moving the text formerly on pages 2 and 9 to the end of the form, creating one continuous Notes section, to prevent confusion and make all relevant information easier for applicants to see and use.

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<sup>1</sup> The White House. September 13, 2015. Press release. “FACT SHEET: The President’s Plan for Early Financial Aid: Improving College Choice and Helping More Americans Pay for College,” available at <https://www.whitehouse.gov/the-press-office/2015/09/14/fact-sheet-president%E2%80%99s-plan-early-financial-aid-improving-college-choice>.

<sup>2</sup> The Institute for College Access & Success (TICAS). 2015. *Recommendations for Eliminating Specific FAFSA Questions to Further Simplify the Federal Student Aid Application Process*, available at: [http://ticas.org/sites/default/files/pub\\_files/simplifying\\_fafsa\\_by\\_eliminating\\_specific\\_questions\\_final\\_06-29-15.pdf](http://ticas.org/sites/default/files/pub_files/simplifying_fafsa_by_eliminating_specific_questions_final_06-29-15.pdf).

Our comments focus on areas where more clarity and streamlining will make the FAFSA easier to understand and use. Unless otherwise specified, our recommendations about questions, notes, and instructions follow the format of the 2016-17 draft paper FAFSA, and italics indicate suggested modifications. Our recommendations are also for the FAFSA on the Web (FOTW) and FAFSA on the Phone (FOTP) wherever applicable. As discussed further below, it is essential that simplification efforts extend to all print and online products and interactions, so that all potential aid applicants can benefit. Our comments below include some new and many prior recommendations and are organized into three main sections: the FAFSA, the IRS Data Retrieval Tool, and the FAFSA public comment process. Limited comments on FOTW are included throughout this document.<sup>3</sup>

## The FAFSA

### **What is the FAFSA?**

“How do I find out what my Expected Family Contribution (EFC) is?”

We recommend adding the following language in italics to the last sentence of the “How do I find out what my Expected Family Contribution (EFC) is?” section on page 2 for clarification:

*You can make corrections or provide additional information, as necessary, online at [www.fafsa.gov](http://www.fafsa.gov) or by following the instructions on page 5 of your SAR.*

Space constraints understandably limit the amount of information on the paper form, but applicants would benefit from knowing a little more about what to expect after submitting the paper FAFSA. It would be helpful for this section to briefly explain the next steps in the aid process: after filling out the FAFSA, students will receive a Student Aid Report (SAR), which summarizes the data they submitted on the FAFSA and provides information on federal aid eligibility. Later, they will receive financial aid award letters from colleges where they apply and are accepted, with more details about all the aid for which they qualify. The Department has already recognized the need for such information by answering the question, “Who will I hear from, and when?” at <http://studentaid.ed.gov/fafsa/next-steps#who-will-i-hear-from-and-when>.

“How much aid will I receive?”

In addition to the brief, general references currently in “Filling Out the FAFSA” on page 1 and “How much aid will I receive?” on page 2, we urge the Department to explore taking further steps to help inform students that they should contact college financial aid offices if they have experienced significant changes in their financial situation that could affect their aid eligibility.

### **Step Three (Student)**

Questions 49 and 50: Active duty service members and veterans of the U.S. armed forces

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<sup>3</sup> Many but not all of the comments in this document are similar to those we [submitted in October 2014](#) on the draft 2015-16 FAFSA materials, in response to the Federal Register notice posted on August 27, 2014 (FR Doc. 2014-20275). These similarities reflect aspects of the materials that were not changed and that we still believe should be improved. Our previous comments are all available online at [www.ticas.org](http://www.ticas.org).

Because FOTW uses a “skip-logic” function to simplify completion, many service members and veterans never have the opportunity to identify their status when they apply for federal student aid. Instead, those who are identified as independent students based on their answers to earlier questions about their dependency status (including age, degree level, and marital status) never see the active duty and veteran status questions.

While we recognize and applaud the overall benefits of FAFSA simplification, the questions about military background are both important and easy to answer in a matter of seconds. We recommend that these questions be restored for all FOTW users, as U.S. Senators Carper and Hirono requested in a letter to Secretary Duncan on July 30, 2014. Veterans Education Success also requests this change in comments submitted on October 9, 2015.<sup>4</sup> There is already precedent for doing so with the foster youth screening question that is asked of both independent and dependent applicants in the student eligibility section of FOTW.

This change would increase the ability of states and colleges to conduct targeted outreach to veterans and service members who may be eligible for additional aid and/or services, and would also improve the available data on federal student aid usage by veterans and service members.

#### Questions 56-58: Unaccompanied homeless youth

For several years, we have urged the Department to make it easier for students using the paper FAFSA to understand what they are being asked. Instead of asking three separate questions in the paper FAFSA to try to capture the various ways an applicant might qualify as an independent student due to being homeless or at risk of homelessness, the paper form should ask just one simple question – as FOTW already does – accompanied by a more detailed Notes section. Specifically, we recommend replacing questions 56, 57, and 58 – which are long, confusing, and still do not cover all of the potential combinations of status and source of determination – with the following single question, which is already used as a filtering question in FOTW:

*On or after July 1, \_\_\_\_ [relevant year], were you homeless or were you self-supporting and at risk of being homeless? (See Notes on p. \_\_ for how to answer this question.)*

The new question would be accompanied by a reference to the Notes section, and the first paragraph of the Notes for this question would read:

Answer “Yes” if you received a determination at any time on or after July 1, [relevant year], that you were an unaccompanied youth who was homeless, or self-supporting and at risk of being homeless, from any of the following sources:

- *Your high school or school district homeless liaison.*
- *The director, or designated staff, of an emergency shelter program funded by the U.S. Department of Housing and Urban Development.*
- *The director, or designated staff, of a runaway or homeless youth center or transitional living program.*
- *A financial aid administrator at the school you attend or plan to attend.*

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<sup>4</sup> See comment posted on regulations.gov at <http://www.regulations.gov/#!documentDetail;D=ED-2015-ICCD-0101-0046>.

In response to our October 2014 comments,<sup>5</sup> the Department wrote, “[I]t was determined that creating three separate questions would provide for the least amount of confusion on the applicant’s part, allow for better follow-up on the part of the financial aid administrator, and allow the Department of Education to better understand the population of applicants who answer ‘Yes’ to any of the three questions.” We urge the Department not to make the perfect the enemy of the good and be consistent with its use of a *single, easily understood* screening question, as used in FOTW. If the Department would like to collect information on which source can confirm the applicant’s homeless status, the question should only be required of applicants who first answered ‘yes’ to the simpler, single screening question. Whichever approach the Department takes, we encourage the Department to test these questions with the target population and solicit feedback from those who work with homeless and at-risk youth.

#### **Step Four (Parent)**

##### Questions 59, 61-64, and 65-68

We appreciate that the Department has developed additional consumer resources including an infographic to assist students whose parents are “unmarried and both parents living together” in answering questions 80-94, as we recommended in our June 2013 and October 2014 comments. However, the instructions on page 6 and page 10 (Notes for Step Four, questions 59-94) of the paper FAFSA refer students to 1-800-433-3243. Students unable to call during the operating hours for that hotline (Monday-Friday, 8am-10pm ET) or with frequently asked questions would benefit from user-friendly online information, so we suggest including the URL for the parental infographic in the instructions as well, which could also reduce the need for phone assistance.

#### **Notes**

##### Notes for questions 56-58

Since 2008, we have urged the Department to *revise the Notes for questions 56-58 as follows* to simplify the application process for homeless youth and maintain consistency with legislative intent<sup>6</sup> and the definition the Government Accountability Office used in its study on disconnected youth<sup>7</sup>:

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<sup>5</sup> TICAS. 2014. *TICAS Comments on Draft 2015-16 FAFSA*.

[http://ticas.org/sites/default/files/pub\\_files/TICAS\\_Comments\\_on\\_2015-16\\_FAFSA\\_0.pdf](http://ticas.org/sites/default/files/pub_files/TICAS_Comments_on_2015-16_FAFSA_0.pdf).

<sup>6</sup> Rep. Judy Biggert (R-IL): “The current Free Application for Federal Student Aid, or FAFSA, creates insurmountable barriers for unaccompanied homeless youth – youth that are homeless and alone. These children do not receive financial support from their parents, and many do not have access to parental financial information or a parental signature required by the FAFSA. As a result, unaccompanied homeless youth are prevented from accessing the financial aid they need because they cannot supply the information required by the FAFSA. The FAFSA Fix for Homeless Kids Act addresses these barriers by allowing unaccompanied homeless youth to apply for federal financial aid without providing parental income information or a parent signature. This will open the doors of higher education to some of our nation’s most vulnerable youth, and I am pleased that H.R. 2669 includes the FAFSA Fix for Homeless Kids Act.” Congressional Record Vol. 153, No. 132 (September 7, 2007), H10267. [http://frwebgate.access.gpo.gov/cgi-bin/getpage.cgi?dbname=2007\\_record&page=H10267&position=all](http://frwebgate.access.gpo.gov/cgi-bin/getpage.cgi?dbname=2007_record&page=H10267&position=all).

<sup>7</sup> GAO noted that the various statutes relating to homeless and disconnected youth do not prescribe an age range, and for the purposes of its study defined disconnected youth as those aged 14 to 24. U.S. Government Accountability Office. 2008. *Report to the Chairman, Committee on Education and Labor, House of Representatives: Disconnected Youth - Federal Action Could Address Some of the Challenges Faced by Local Programs That Reconnect Youth to Education and Employment*. <http://www.gao.gov/new.items/d08313.pdf>.

- “**Youth**” means you are ~~21~~ 23 years of age or younger...

We are very pleased that this problem appears to have been fixed, correcting an unfair loophole that previously prevented homeless and at-risk youth aged 22 and 23 from being granted independent student status. The Department has already clarified this in both its Application and Verification Guide<sup>8</sup> and guidance to colleges, and we want to ensure that both the paper FAFSA and FOTW are adjusted to reflect this change. Specifically, the Department’s July 29, 2015 Dear Colleague Letter states<sup>9</sup>:

“Applicants who are between the ages of 21 and 24 and who are unaccompanied and homeless or self-supporting and at risk of being homeless qualify for a homeless youth determination, and will be considered independent students.”

### **FAFSA Submission Page**

We commend the Department for improving the information on the confirmation screen seen by applicants who answer ‘yes’ to the foster youth screening question. However, the additional information about potential added grant assistance for current and former foster youth is currently buried at the bottom of the page. We recommend moving that information up so that it is included along with other potential aid that applicants may receive such as Pell Grants and Direct Stafford Loans.

### **The IRS Data Retrieval Tool**

We applaud the Department for continuing to improve the IRS Data Retrieval Tool (DRT), and for highlighting the tool in draft materials for the 2016-17 cycle. However, these materials could further emphasize the tool’s benefits and ease of use. We strongly encourage the Department to mark the questions on the paper FAFSA that could be prepopulated using the DRT, which could encourage applicants to shift from paper to FOTW to benefit from the DRT. We understand that the scope of the data transferred from the IRS DRT is dependent on the type of tax return filed, however, the FAFSA can simply indicate with asterisks which questions *could* possibly be prepopulated using the tool. If the Department is developing an FOTW Worksheet for 2016-17, it should also note which questions could be answered with the DRT.

#### **Additional suggestions for improvements related to the DRT**

1) We suggest the Department add the following explanation before presenting aid applicants with questions related to the DRT: *Please answer the following questions to determine if you are eligible to electronically transfer your own tax information into the FAFSA. Using the IRS Data Retrieval Tool shortens the time it takes to complete the FAFSA because your tax data automatically answers up to 20 financial questions.* For users who are told they cannot use the DRT, we urge the Department to ensure they are also told *why* (e.g., they filed their taxes too recently), and that they can return and try again, and approximately how soon, when appropriate. Because such messages have not been included in this information collection, it is unclear what

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<sup>8</sup> U.S. Department of Education, Office of Postsecondary Education. June 24, 2015. *2015-2016 Federal Student Aid Handbook Errata and Updates*, available at <http://ifap.ed.gov/fsahandbook/1516FSAHandbookErrata.html>.

<sup>9</sup> U.S. Department of Education. July 29, 2015. *GEN-15-16: Unaccompanied Homeless Youth Determinations*. <http://www.ifap.ed.gov/dpcletters/attachments/GEN1516Attach.pdf>.

information applicants receive. We recommend the Department include DRT-related messages and screenshots in the FAFSA Application Enhancements Summary that it issues during its annual comment period.

2) We urge the Department to work with the IRS to explore extending the substantial benefits of the DRT process to more applicants and potential applicants, as discussed in our comments from previous years. In its current form, the DRT draws data only from IRS 1040 forms, not from the W-2 or 1099 forms that can provide important earnings information for those who do not file a 1040 because they earn too little to owe federal income tax. Almost three-quarters of Pell Grant recipients have incomes so low that they do not owe federal income tax, as discussed in more detail in our report, [\*After the FAFSA: How Red Tape Can Prevent Eligible Students from Receiving Financial Aid\*](#).<sup>10</sup> The forthcoming use of prior-prior year tax data will facilitate the use of W-2 and 1099 data, which can take longer for the IRS to process than 1040 data. The Department has stated that it will have conversations to explore this issue, and we look forward to learning about the status of those discussions.

3) As detailed in our February 2015 memo, we also encourage the Department to explore expanding the categories of tax filers who can use the DRT.<sup>11</sup> Currently, certain types of tax filers cannot use the DRT to transfer tax data to their FAFSAs due to their tax filing status. These include tax filers who are married but file separate tax returns, those who file as head of household, parents who are unmarried and living together, those who file amended tax returns, those who file Puerto Rican or foreign tax returns, and those who changed marital status since Dec 31 of the prior year. To allow more FAFSA applicants to benefit from using the DRT, we recommend exploring whether the DRT can be made available to more categories of tax filers, and whether the use of prior-prior year data will make it easier to add certain categories of tax filers, i.e., if some filers are currently excluded due to longer processing times for their particular type of return.

4) We continue to encourage the Department to consider how the DRT could be integrated into the FAFSA4caster so that the user has the option of a more precise aid estimate, in addition to the current format. Since the FAFSA4caster does not currently collect personally identifiable information, users could opt to share the necessary information to access the DRT if they would like to. This would not only help provide early aid eligibility estimates to students and parents just beginning to explore college options and affordability, but also make them aware of the DRT well before they face the FAFSA itself.

5) As described in more detail below, we recommend that the Department provide at least screenshots, if not a demo site, for future planned enhancements to FOTW, including the IRS DRT features, to facilitate public input before they are finalized.

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<sup>10</sup> TICAS. 2010. *After the FAFSA: How Red Tape Can Prevent Eligible Students from Receiving Financial Aid*. [http://www.ticas.org/pub\\_view.php?idx=643](http://www.ticas.org/pub_view.php?idx=643).

<sup>11</sup> For more information, see TICAS's February 11, 2015 memorandum, "Simplifying the FAFSA by expanding access to the IRS Data Retrieval Tool," available at: [http://ticas.org/sites/default/files/pub\\_files/simplifying\\_fafsa\\_by\\_expanding\\_access\\_to\\_drt.pdf](http://ticas.org/sites/default/files/pub_files/simplifying_fafsa_by_expanding_access_to_drt.pdf). For example, the draft 2016-17 paper FAFSA includes a new, extra, and potentially burdensome step to compute income taxes (questions 37 and 86). Expanded access to the IRS Data Retrieval Tool would help ensure that millions of students answer these – and many other – questions correctly and with ease.

## The FAFSA Public Comment Process

We urge the Department to *release draft FOTW materials at the same time as the draft paper FAFSA and to encourage public review* so that students, financial aid administrators, and other stakeholders can provide the Department with important, timely, and coordinated feedback on these interrelated forms and processes.

We understand that updating FOTW is a substantial undertaking. In response to our comments on the 2015-16 draft FAFSA, the Department shared that the demo site was expected to be available on December 28, 2014, only four days before the application itself became available. Given that almost all (more than 99%) FAFSAs are now expected to be filed online,<sup>12</sup> we continue to urge the Department to make a preview version of FOTW available during the public comment period, to provide stakeholders the opportunity to weigh in on proposed changes and suggest improvements. Some information about FOTW is available in the “Data Elements and Justification” chart, but these textual descriptions of aspects of the online application are of limited use without an accompanying visual depiction of how applicants work their way through the process. Moreover, they do not provide the text used to determine IRS Data Retrieval Tool eligibility or the responses received by applicants. Instead, a dynamic Data Elements Justification chart could include links to static images with the actual text that applicants receive.

Thank you for the opportunity to comment on the proposed 2016-17 Federal Student Aid application materials. If you have any questions or concerns regarding our comments, please feel free to contact me by phone at (510) 318-7900, or via email at [ljasher@ticas.org](mailto:ljasher@ticas.org).

Sincerely,



Lauren J. Asher  
President

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<sup>12</sup> See pages 10 and 11 of “Supporting Statement for Paperwork Reduction Act Submission.” Moreover, on page 4 of that document the Department itself explains the importance and far-reach of FOTW, stating “FOTW has grown to be the primary entry point for tens of millions of students who apply for Federal, State, and institutional financial aid.”