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**The Upshot**  
HIGHER EDUCATION

# Applying for Financial Aid Is About to Get Easier

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**Susan Dynarski**

Choosing a college and applying for aid is complicated — so much so that many smart, low-income students don't make it past the initial hurdles. But last week, the federal government streamlined and simplified the Fafsa (the Free Application for Federal Student Aid), which is the gatekeeper for all federal aid for college, including Pell grants and Stafford loans.

The new approach also opens the door to eventually eliminating the Fafsa altogether.

Under the current aid rules, students planning to attend college next September can't file a Fafsa until January. They will probably apply later, since the Fafsa requires information from their family's 2015 tax return, which is due in April.

In this current schedule, information about aid eligibility arrives months after college applications are due — too late to inform the decision about whether (and where) to apply to college. It has become clear that telling students about aid *after* they apply to colleges — the current practice — is no way to convince nervous students that college can be affordable.

When the new rules go into effect next fall, students planning to attend college in September 2017 will be able to file the Fafsa as early as October 2016. They will do so using data from (already filed) 2015 tax returns. This means they have information about their federal aid eligibility as they consider where to apply to college. By filing the Fafsa earlier, they also maximize their chances of getting money from state aid programs that ration aid by giving grants only to those who apply early.

The benefits to this new approach cascade. The earlier Fafsa schedule opens the doors for colleges to speed up their own aid decisions. Aid offers currently arrive in March and April, with students required to make a decision by May. With earlier Fafsa data, college could deliver aid offers much earlier, allowing students to make more informed decisions.

Nearly all families will now be able to use the I.R.S. Data Retrieval Tool, which automatically populates the Fafsa with tax data from the Internal Revenue Service. Currently this option is available to only about 20 percent of applicants. Under the new rules, all applicants can automatically port their tax data into the Fafsa, cutting back on time spent transcribing data and eliminating data-entry errors that result in application delays. Colleges are now required by the Department of Education to audit millions of aid applications, requiring applicants to send piles of paperwork, including their tax forms. Fafsas completed using the I.R.S. link don't require such an audit.

All of the information needed to accurately calculate aid eligibility is already in I.R.S. data. If Congress agrees to eliminate the dozens of nontax questions on the aid application, then the Fafsa would be redundant. The tax return would serve as the aid application, with filers checking off a box to indicate a member of the household is planning on going to college. The federal government could proactively tell families how much aid they can get for college, for example, when they file their taxes.

The Fafsa announcement arrived not long after after the Department of Education released its expanded College Scorecard, which is intended to improve the information students have as they navigate the process of applying for college.

The Scorecard now includes the earnings of every college's alumni, as well as

information about student borrowing and graduation rates.

Students now have a double dose of better data. They can start the college search armed with knowledge about their aid eligibility, as well as detailed information about the performance of colleges. Both are essential for making sure students make smart choices about college.

Susan M. Dynarski is a professor of education, public policy and economics at the University of Michigan. Follow her on Twitter at @dynarski.

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