

# TWO YEARS OUT: THE IMPACTS OF THE FAFSA CHANGE AND WHERE WE HEAD NEXT

MHEC Affordability Summit

June 11, 2026

HI, IT'S GREAT TO BE HERE!  
PLEASE REACH OUT IF WE CAN HELP!

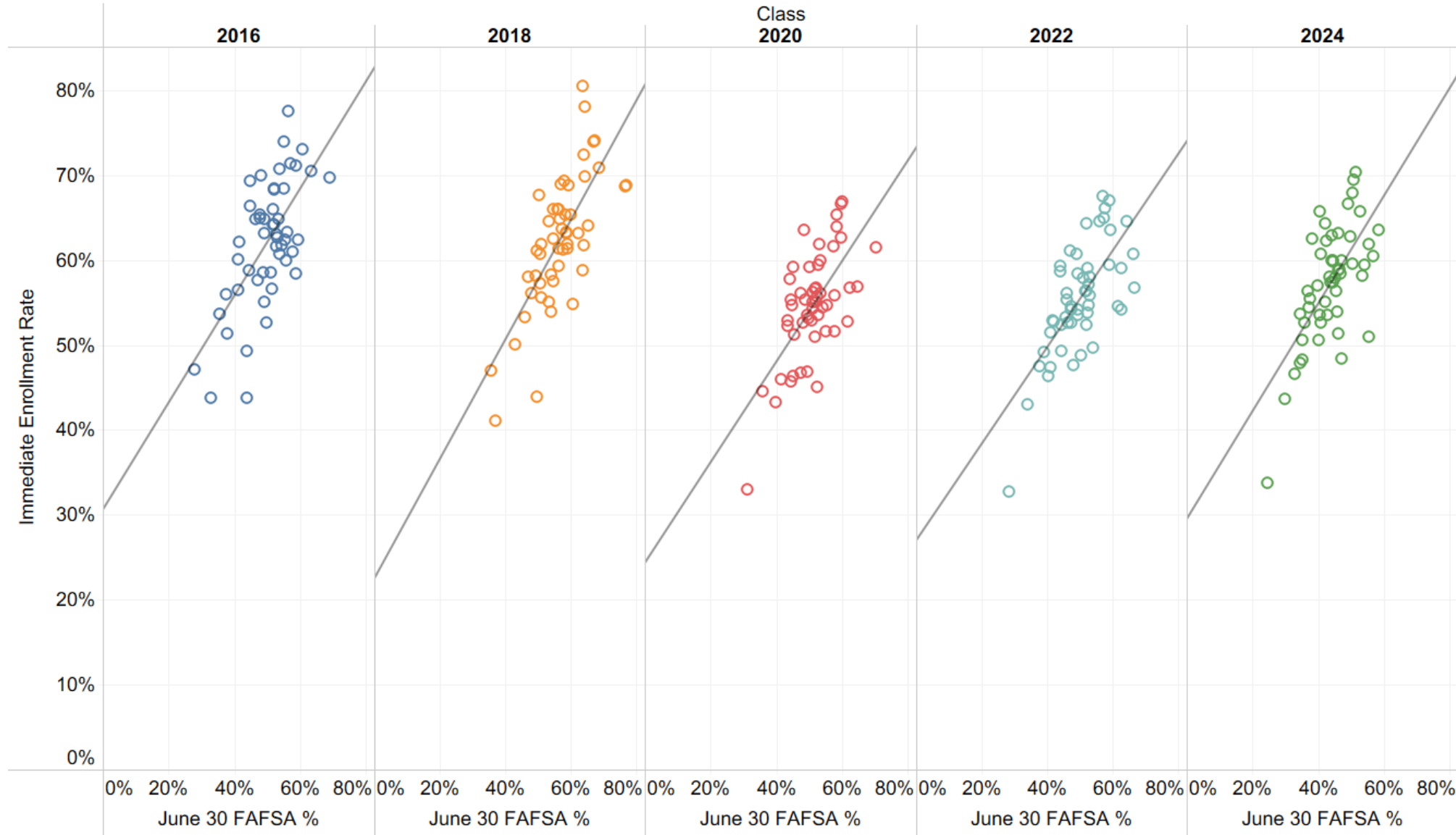


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### June 30 FAFSA Completion % by Immediate College Enrollment Rate of High School Seniors, by State and Class



**WHY**  
**FAFSA**  
**COMPLETION**  
**MATTERS**  
**SO**  
**MUCH**

Source: NCAN FAFSA Tracker; NCHEMS HigherEdInfo.org

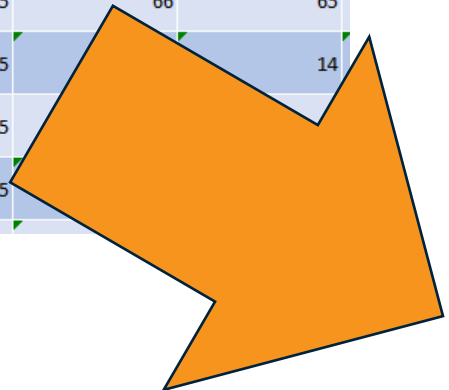
# FAFSA COMPLETION CAN BE THE CANARY IN THE COAL MINE

High School Class	National FAFSA Completion Rate	Year-Over-Year FAFSA % Change	National First Fall Enrollment Rate
2018	54.0%	+1.9%	64%
2019	53.8%	-0.5% ↓	62.9% ↓
2020	52.0%	-3.7% ↓	59.9% ↓
2021	49.9%	-4.8% ↓	58.8% ↓
2022	52.1%	+4.6% ↑	60.0% ↑
2023	53.4%	+1.3% ↑	60.2% ↑
2024	46.0%	-11.6% ↓	60.0% ↓
2025	53.9%	+17.5% ↑	???

Source: NCAN FAFSA Tracker, NSCRC HS Benchmarks Reports

**Free Application for Federal Student Aid (FAFSA) Submissions by High School**  
**Applications processed through January 5 of the first 15 months of each cycle**

City	State	2024/ 2025 Cycle			
		Through January 5, 2024		Through January 5, 2023	
		Applications Submitted	Applications Complete	Applications Submitted	Applications Complete
ANCHORAGE	AK	<5	<5	9	9
ANCHORAGE	AK	<5	<5	<5	<5
ANCHORAGE	AK	<5	<5	33	31
ANCHORAGE	AK	<5	<5	<5	<5
ANCHORAGE	AK	<5	<5	49	42
ANCHORAGE	AK	<5	<5	66	65
ANCHORAGE	AK	<5	<5		14
ANCHORAGE	AK	<5	<5		
ANCHORAGE	AK	<5	<5		



NCAN's FAFSA Tracker transforms publicly-available, high school-level data into national, state, and local insights on FAFSA completion trends within and across years

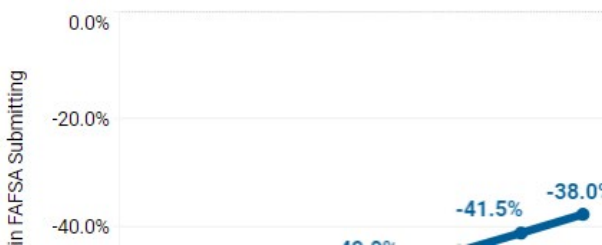


Through **February 23, 2024**, **26.4%** of the **high school class of 2024** has submitted a FAFSA. There have been **1,095,852** submissions nationally, a **-38.0%** change compared to last academic year.

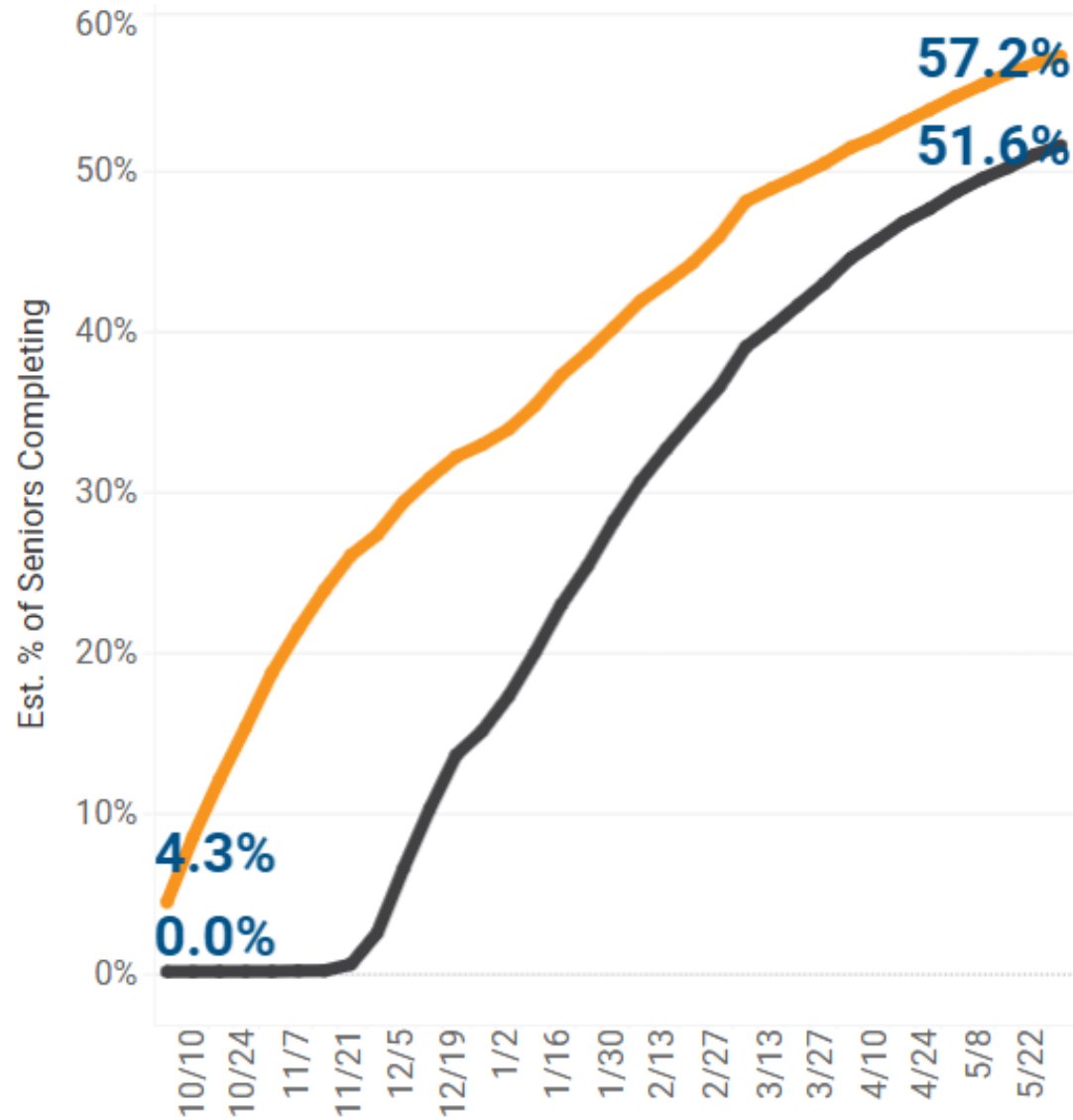
Estimated Percent of Seniors Submitting a FAFSA



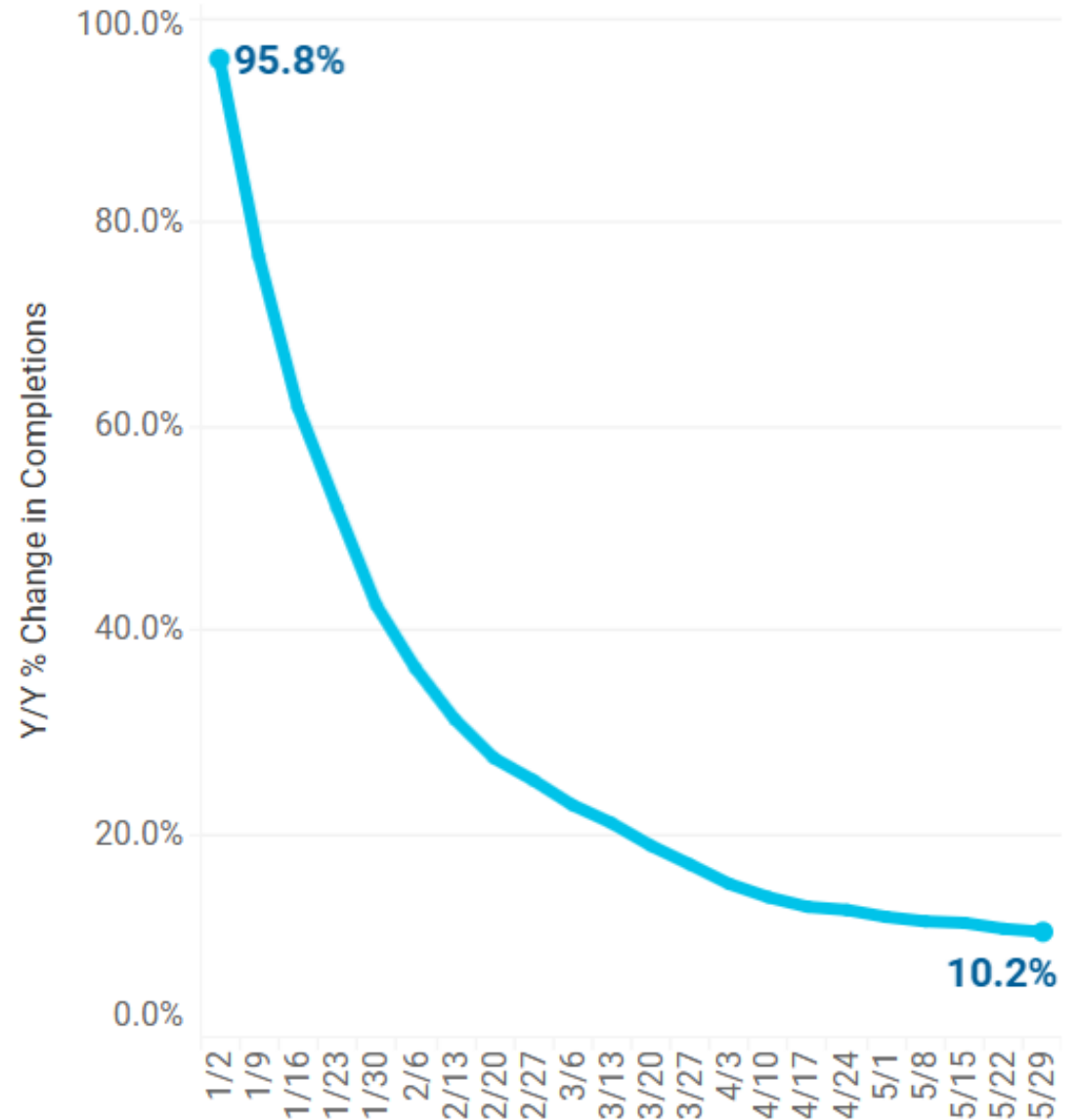
Year-Over-Year % Change in FAFSA Submissions



**Est. % of Seniors Completing a FAFSA,  
High School Class of 2025 and 2026**



**% Change in FAFSA Completions Relative to Class of 2025**

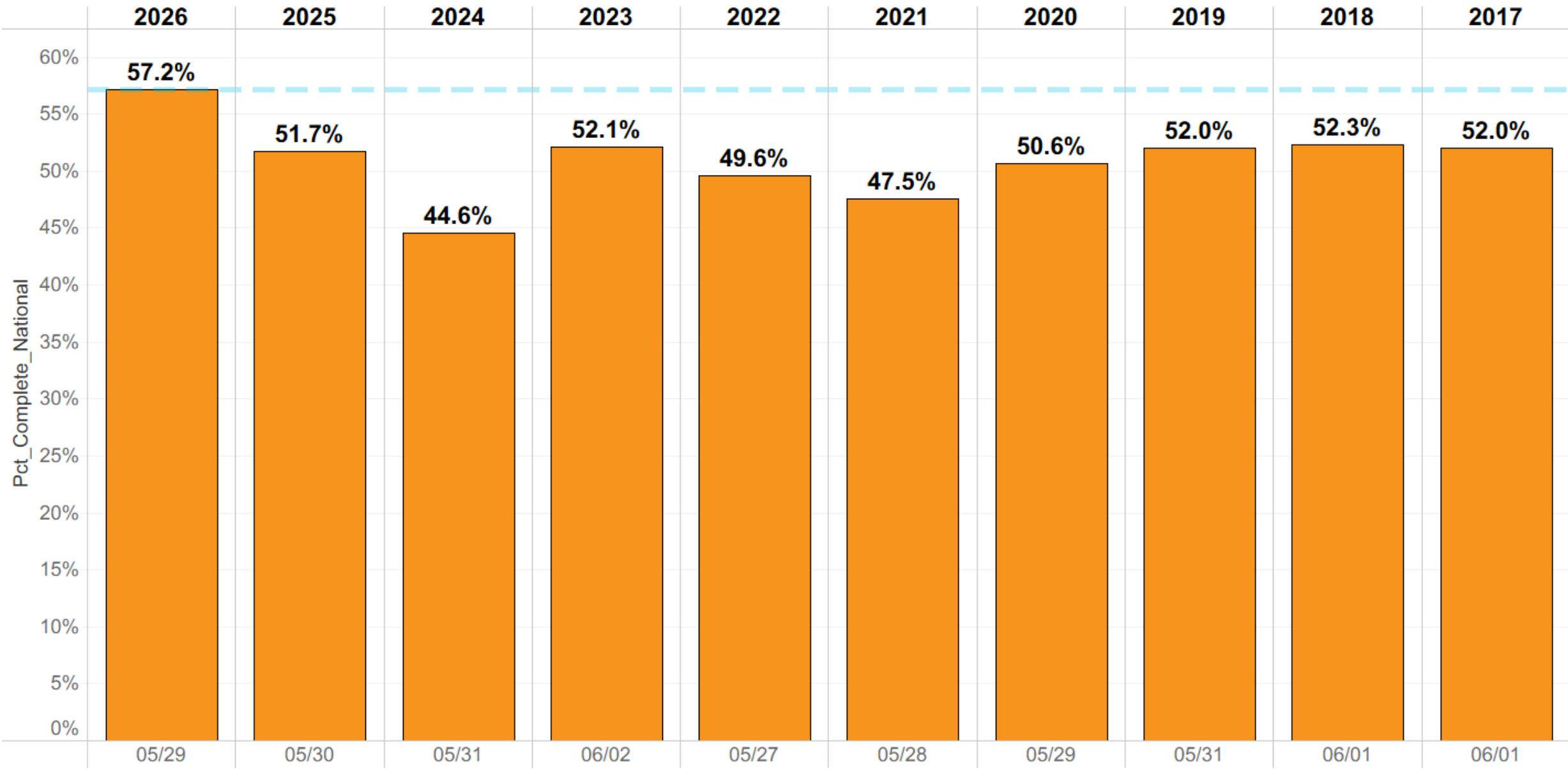


<b>1</b> <b>TN</b> 71.8%	<b>2</b> <b>IL*</b> 70.9%	<b>3</b> <b>TX*</b> 68.2%	<b>4</b> <b>NJ*</b> 65.7%	<b>5</b> <b>CA*</b> 64.3%	<b>1</b> <b>AK</b> 21.9%	<b>2</b> <b>NM</b> 20.7%	<b>3</b> <b>FL</b> 19.0%	<b>4</b> <b>AZ</b> 17.6%	<b>5</b> <b>MT</b> 16.9%
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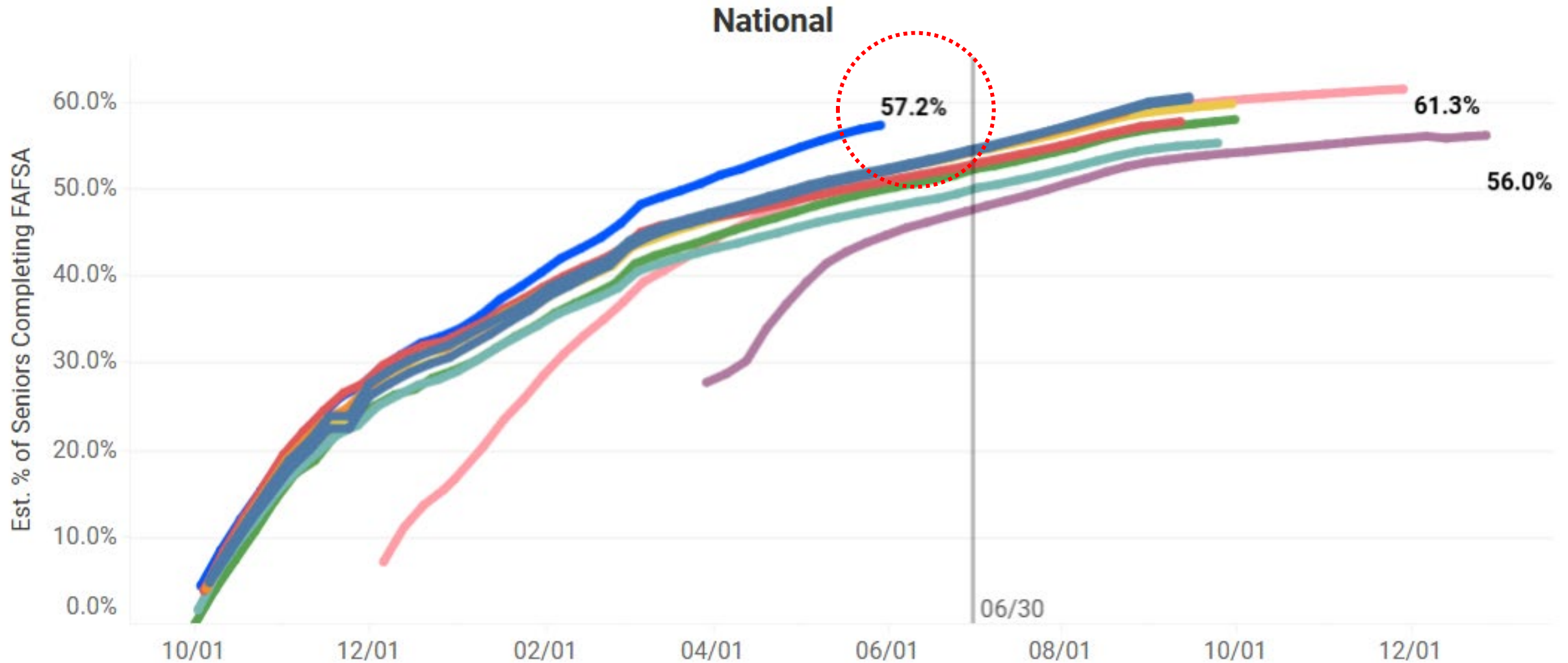
* - Universal FAFSA Policy	☰	Rank	Est. FAFSA Completion % for Class of 2026 Seniors		Rank	% Chg (to 2025)
Tennessee		1	71.8%		1	21.9%
Illinois*		2	70.9%		2	20.7%
Texas*		3	68.2%		3	19.0%
New Jersey*		4	65.7%		4	17.6%
California*		5	64.3%		5	16.9%
				Alaska		
				New Mexico		
				Florida		
				Arizona		
				Montana		

% COMPLETION RANK	STATE	% COMPLETION (THROUGH 5/29)
2	Illinois *	70.9%
12	Nebraska *	58.7%
15	Indiana *	57.3%
16	Kentucky	57.2%
NATIONAL	NATIONAL	57.2%
18	Michigan	56.4%
24	Missouri	54.5%
29	South Dakota	51.8%
31	Iowa	51.3%
34	Ohio	50.6%
35	Kansas	49.5%
36	Minnesota	48.9%
40	Wisconsin	47.9%
45	North Dakota	45.4%

### Estimated % of Seniors Completing a FAFSA Through Various Dates of the FAFSA Cycle, **National**



# Estimated Percent of Seniors Completing a FAFSA





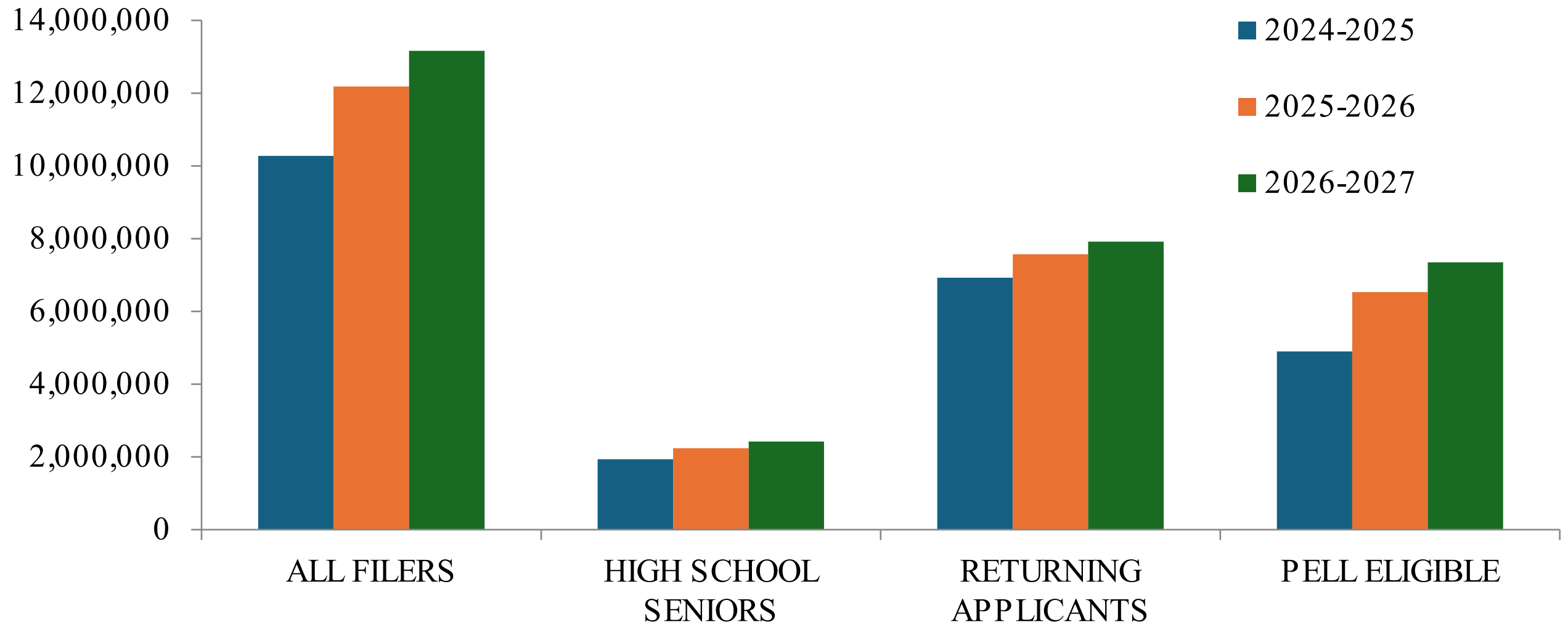
# NATIONAL FAFSA COMPLETION DATA

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- FAFSA applicant counts continue to rise across all applicant categories
- Growth is strongest among first-time filers and currently at an all-time high since NCAN's FAFSA Tracker began in 2017
- Pell-eligible applicants show substantial gains, indicating improved access opportunities
- Applause to FSA for the comprehensive and efficient updates made to the FAFSA system and the studentaid.gov accounts process



# FAFSA COMPLETION NUMBERS/PELL ELIGIBILITY – END OF MAY



# FAFSA COMPLETION NUMBERS/PELL ELIGIBILITY – END OF MAY

CATEGORY	2024-2025	2025-2026	2026-2027	GAINS
ALL FILERS	10,275,039	12,185,051	13,163,847	28.1%/8%
HIGH SCHOOL SENIORS	1,933,839	2,238,555	2,421,192	25.2%/8.2%
RETURNING APPLICANTS	6,928,820	7,568,888	7,918,179	14.3%/4.6%
<b>PELL ELIGIBLE</b>	<b>4,897,602</b>	<b>6,528,454</b>	<b>7,346,233</b>	<b>50%/12.5%</b>

# PELL ELIGIBILITY EXPANSION IMPACTS

# DRAMATIC INCREASE IN PELL GRANT ELIGIBILITY

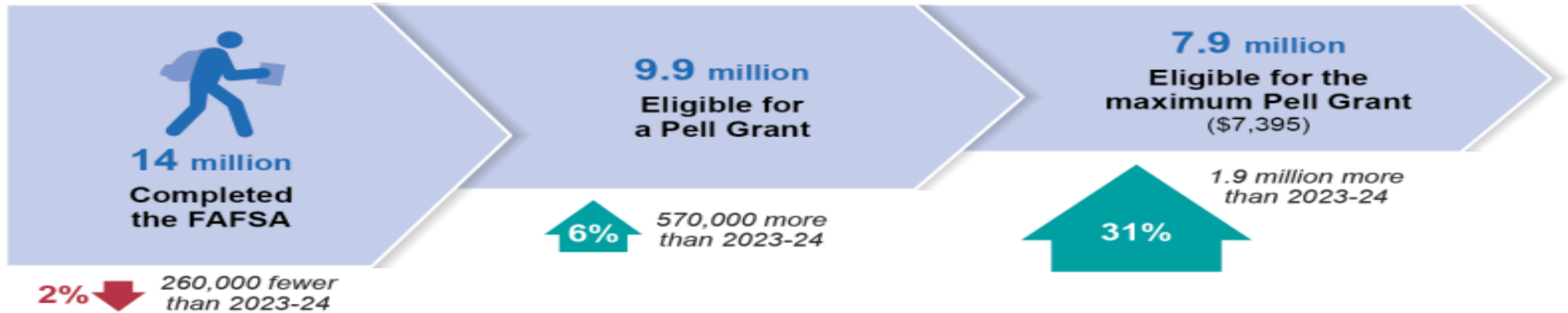
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- GAO released report in April comparing 23/24 versus 24/25 academic year
- 570,000 more students were eligible (6%)
- 1.9 Million more students were eligible for the maximum grant (31%)
- FAFSA completers that were Pell eligible rose from 65% to 71%
- Average Pell award increased by \$278, from \$6,409 to \$6,687



# MORE ELIGIBLE STUDENTS & MORE MAX PELL GRANTS

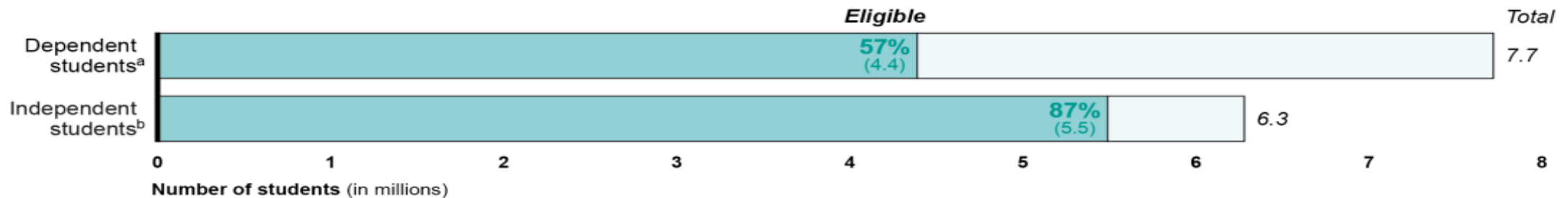
**Figure 1: Pell Grant Eligibility in School Year 2024–25 Compared with School Year 2023–24**



Source: GAO analysis of Department of Education Free Application for Federal Student Aid (FAFSA) data. | GAO-26-107928

## BY DEPENDENCY STATUS

**Figure 6: Pell Eligibility by Dependency Status in School Year 2024–25**



Source: GAO analysis of Department of Education Free Application for Federal Student Aid (FAFSA) data. | GAO-26-107928

## WHAT CHANGED?

- SAI formula had larger income protection allowance
- Family income to report assets was raised to \$60,000
- Eligibility determined two ways - SAI formula or Poverty Tables
- More incarcerated programs approved to administer Pell Grants
- More increases expected for the future with increases in number of filers and Workforce Pell Grants being implemented

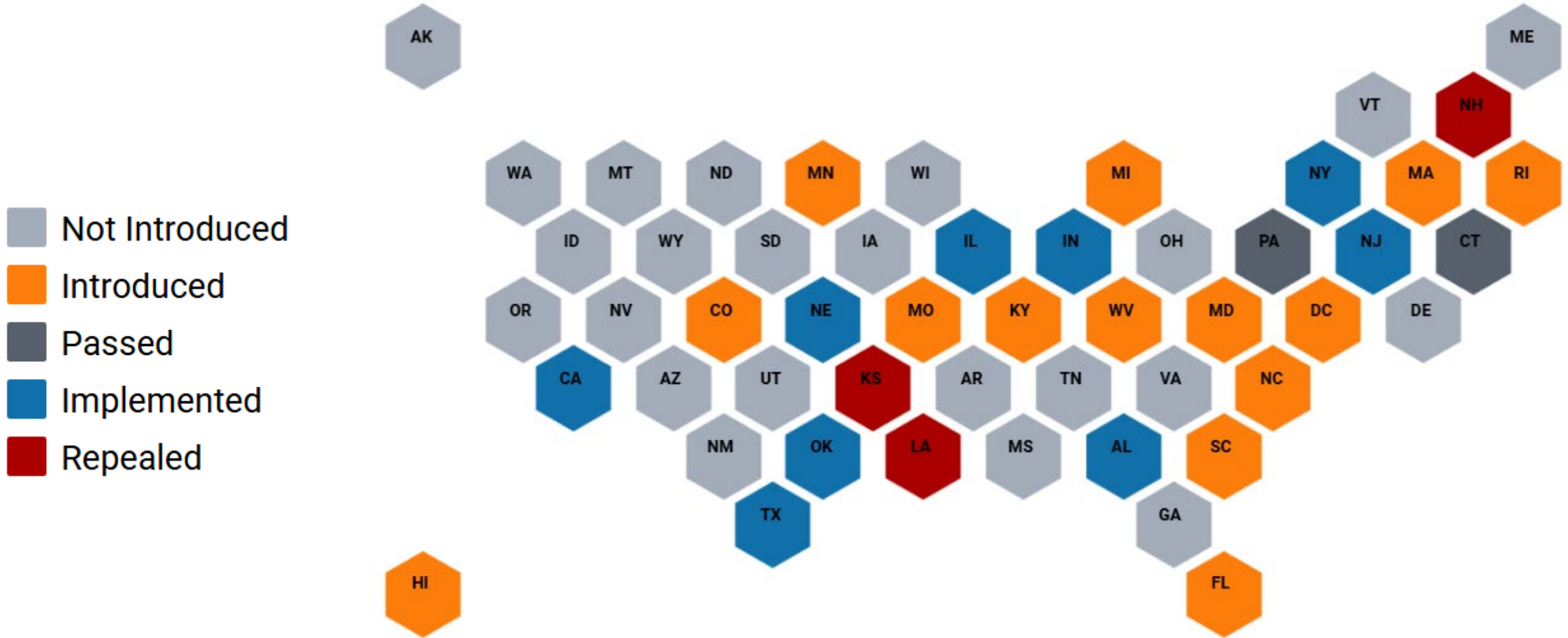


## WHO GAINED THE MOST?

- ❖ Middle income families (\$60-125,000)
- ❖ 350,000 more students in this income range became eligible with the new formula
- ❖ These students represent 61% of the overall increase in eligible students
- ❖ Even with sibling discount removed, 60% of students with more than one in college qualified (up from 55%)
- ❖ Low-income but high asset families determined by Poverty Table (new limits for 25-26 academic year)



UNIVERSAL FAFSA

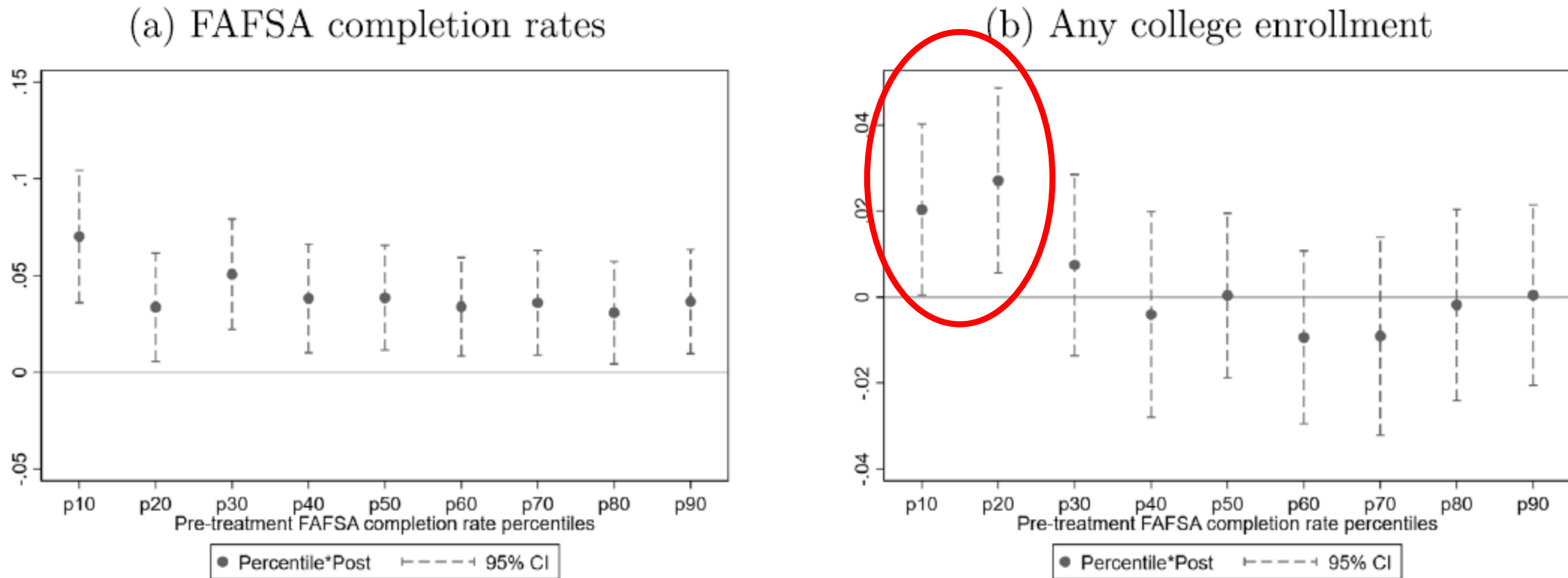


## UNIVERSAL FAFSA WITH SUPPORTS

### NCAN Recommends that States:

- Require FAFSA completion for high school graduation through legislative or other policy vehicles.
- Include a robust opt-out system for students who are unable to access parental financial information, have undocumented parents, or whose parents allow them to abstain.
- Provide (at minimum) one full FAFSA cycle from the bill passing, or the item being administratively added to a list of requirements before the actual requirement takes effect.
- Make the change administratively, if high school graduation requirements do not live in statute.
- If not already in place, build and provide robust training and support through school counselors and/or college access advisers to ensure students are helped through the process.
- Provide regular data-sharing on completion to high schools and community-based organizations to allow for better-targeted FAFSA completion efforts.

# UNIVERSAL FAFSA OFFERS MORE NUANCED EVIDENCE OF THE FAFSA-ENROLLMENT CONNECTION



**Fig. 2.** Discrete treatment effects. Notes: The figure displays the DiD model (Eq. (2)) estimates of  $\beta_j$ s on FAFSA completion rates and college enrollment and 95% confidence intervals. The estimates are presented in columns (1) and (4) of [Table A.1](#).

## OTHER STATEWIDE APPROACHES TO DRIVING FAFSA COMPLETION - VIRGINIA

- Annually provide to each high school student and their parents “guidance and other informational materials on student financial aid applications for the purpose of promoting awareness of federal and state financial aid programs, resources, eligibility criteria, application deadlines, and other processes and requirements.”
- Use federally-available data to establish a five-year goal for each of their high schools, the purpose of which is for “encouraging and increasing the completion of student financial aid applications by their high school students during the students' final school year before graduation.”
- Annually post federally available data relating to student financial aid applications in a publicly accessible location on its website and submit to the Department a report on the progress toward achieving that five-year goal (both in the aggregate for all high schools under the board’s governance and for each individual high school).

## OTHER STATEWIDE APPROACHES TO DRIVING FAFSA COMPLETION - KENTUCKY

- Added a new metric to the state's reporting and accountability structure for schools with 12 grade students.
- This metric is “the percentage of graduating students who have: Completed the Free Application for Federal Student Aid by the student's graduation date; or a parent or legal guardian that has submitted an appropriate form to the school or district to opt out of completion of the Free Application for Federal Student Aid after completing a district-approved presentation regarding the Free Application for Federal Student Aid.
- Notable: the legislation writes in an opt-out for students and parents without establishing a requirement from which to opt out. The legislation establishes a clear expectation that students will either complete the FAFSA or opt out of doing so.
- Until June 30, 2030 this metric is a reporting requirement that will be included on a school's report card that “clearly communicates with parents and the public 10 about school performance.” After June 30, 2030, this “targeted quality measure” will become part of the state's accountability structure, and these targeted quality measures will be weighted at “not less than” 5% for accountability purposes.

**DISCUSSION TIME!**

# TWO **BIG** QUESTIONS

- What would it take to continue advancing affordability and increasing FAFSA completion?
- What's the biggest challenge you face in your state around increasing access and postsecondary enrollment?

# THANKS FOR BEING HERE! SAFE TRAVELS HOME!



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