

# Congress of the United States

Washington, DC 20515

April 22, 2024

Ms. Sandra D. Bruce  
Office of Inspector General  
U.S. Department of Education  
400 Maryland Avenue, S.W.  
Washington, DC 20202

Dear Inspector General Bruce:

We write today to request oversight of the funds Congress previously appropriated to the Office of Federal Student Aid, which amounts to nearly \$8 billion from the start of Fiscal Year (FY) 2021. We are particularly concerned with the funds intended to be used for the rollout of the Free Application for Federal Student Aid (FAFSA) Simplification Act as outlined in the *Consolidated Appropriations Act of 2021*.<sup>1</sup>

It remains unclear whether those funds were used to promote an efficient overhaul of the FAFSA form or for other projects, specifically the \$153 billion in student loan “forgiveness” approved to date.<sup>2</sup> In fact, it was revealed that during FY2023 appropriations negotiations, Republican appropriators offered the White House a 20 percent increase to the Office of Federal Student Aid with the requirement that funds would not be used to implement President Biden’s proposed student debt forgiveness, which Democrat appropriators ultimately declined.<sup>3</sup>

Every year, more than 17 million students fill out the FAFSA to determine the amount of financial aid they may be eligible to receive. This includes loans, as well as grants, scholarships, and work-study funds.<sup>4</sup> For many years, the form was critiqued as being complex, lengthy, and inaccessible to applicants from every background. Congress passed the *FAFSA Simplification Act* on December 27, 2020, in an effort to streamline the process.

Three years after final passage of the bill, and an additional three months after the annual October 1 release date, the Department of Education (the Department) released an incomplete

---

<sup>1</sup> Consolidated Appropriations Act of 2021. 20 U.S.C. § 1001 (2021).

<sup>2</sup> Biden-Harris Administration Announces Additional \$7.4 Billion in Approved Student Debt Relief for 277,000 Borrowers. U.S. Department of Education. (2024, April 12). <https://www.ed.gov/news/press-releases/biden-harris-administration-announces-additional-74-billion-approved-student-debt-relief-277000>.

<sup>3</sup> Turner, C. (2023, January 10). New Biden Student Loan Plan unveiled Amid Agency Funding Crisis. NPR. <https://www.npr.org/2023/01/10/1147758692/exclusive-new-biden-student-loan-plan-unveiled-amid-agency-funding-crisis>.

<sup>4</sup> Federal Student Aid. (n.d.). 2024-2025 FAFSA Form. Department of Education. <https://studentaid.gov/h/apply-for-aid/fafsa>.

and confusing “soft launch” of the new form. Since the December 31, 2023, release date, the Department has posted several memos indicating issues with the new form, resulting in even further delays for many students. This includes an admission of an incorrect asset calculation for students submitting Adjusted Net Worth of Businesses and Investment Farms, which impacted more than 200,000 students who submitted their forms before March 21, 2024.<sup>5</sup> This is just one example to highlight the untenable situation the Department has created for students and families applying for student aid in the 2024-2025 school year.

While making it more difficult for students nationwide to receive educational assistance, the Biden administration unilaterally approved \$146 billion in student loan “forgiveness” for others. As a result, millions of Americans who responsibly paid their loans or chose not to pursue higher education will now be responsible for repaying the loans of others.<sup>6</sup> The Supreme Court clearly held on June 30, 2023, that the Biden administration’s attempt to exploit COVID-era flexibilities outlined in the Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act was a gross overreach of its executive power.<sup>7</sup> We remain frustrated that nearly one year after this decision, the Biden administration continues to try to circumvent the Supreme Court’s decision, wasting valuable time and resources that should instead be spent on FAFSA implementation.

As you know, May 1<sup>st</sup> marks National College Decision Day, traditionally the day that accepted students must commit to the college or university of their choosing after taking the necessary time to compare potential aid offers. Given the three-month delayed drop, the Department only recently released the first tranche of Institutional Student Information Records (ISIRs) data to schools for processing of aid offer letters. On average, it will take schools two to three weeks to process ISIRs data and get letters mailed to students.

Adding to the already condensed timeline, schools are continuing to find errors in Student Aid Index (SAI) calculations, which could drastically reduce or increase the amount of aid a student is able to receive. Universities in our home states relayed that they are being forced to double check the math on many SAI amounts out of fear the Department has been inconsistent with the algorithm, only taking more time away from their expedited efforts.

Unfortunately, Education Secretary Cardona has placed the burden back on the schools saying in a March 15, 2024, letter “If you have not done so already, we encourage you to reconsider aid

---

<sup>5</sup> Federal Student Aid. (2024, March 22). Update on 2024-25 FAFSA institutional student information record (ISIR) delivery. Department of Education. <https://fsapartners.ed.gov/knowledge-center/library/electronic-announcements/2024-03-22/update-2024-25-fafsa-institutional-student-information-record-isir-delivery>.

<sup>6</sup> White House Briefing Room. (2024, April 8). President Joe Biden outlines new plans to deliver student debt relief to over 30 million Americans under the Biden-Harris Administration. The White House. <https://www.whitehouse.gov/briefing-room/statements-releases/2024/04/08/president-joe-biden-outlines-new-plans-to-deliver-student-debt-relief-to-over-30-million-americans-under-the-biden-harris-administration/#:~:text=To%20date%2C%20the%20Biden%2DHarris.entitled%20to%20under%20the%20law.>

<sup>7</sup> *Biden v. Nebraska*. No. 22-506. [https://www.supremecourt.gov/opinions/22pdf/22-506\\_nmip.pdf](https://www.supremecourt.gov/opinions/22pdf/22-506_nmip.pdf)

application deadlines so that all students have time to submit and correct their FAFSA forms, and to ensure funding remains available so that all students will have equitable access to aid.”<sup>8</sup>

Earlier this year, our colleagues sent a letter to the U.S. Government Accountability Office (GAO) requesting an examination of the barriers students face in submitting information and receiving aid eligibility information for the 2024-2025 school year.<sup>9</sup> While we are enthusiastic GAO has begun investigating this FAFSA fiasco, it is troubling that the Department continues to push out new student loan forgiveness proposals in the midst of very tight deadlines for students to know whether or not they will be able to afford college this upcoming school year.


To better inform policymakers, within two weeks of receipt we request your office to initiate a comprehensive engagement which includes, but is not limited to:

- A review of the obligations entered into by the Office of Federal Student Aid using funds appropriated to the Department for purposes of implementing the *FAFSA Simplification Act*;
- An itemized accounting of administrative expenses incurred for both implementation of the *FAFSA Simplification Act* and student loan forgiveness, which should include labor expenses for staff, contractors, or other third parties, legal costs, travel, equipment, public relations and communications, and any other associated expenses.
- The number of full-time equivalent employees the Department devoted to developing the new FAFSA form, broken down by Fiscal Years 2021-2024;
  - Please indicate any cross-program staffing on additional projects, including those working on President Biden’s Saving on a Valuable Education (SAVE) Plan targeting student loan forgiveness.

Sincerely,



Joni K. Ernst  
United States Senator



Julia Letlow, Ph.D.  
Member of Congress

---

<sup>8</sup> Federal Student Aid. (n.d.-b). Secretary of Education, Miguel Cardona Letter to Presidents, Chancellors, and CEOs on 2024-25 FAFSA Processing Updates. Department of Education. <https://fsapartners.ed.gov/knowledge-center/library/electronic-announcements/2024-03-15/secretary-education-miguel-cardona-letter-presidents-chancellors-and-ceos-2024-25-fafsa-processing-updates>.

<sup>9</sup> Letter to GAO re: FAFSA. (2024, January 24) [https://www.help.senate.gov/imo/media/doc/letter\\_to\\_gao\\_re\\_fafsa.pdf](https://www.help.senate.gov/imo/media/doc/letter_to_gao_re_fafsa.pdf).