



2026-27 FAFSA SIMPLIFICATION

PRESENTED BY:

YVETTE M. MCGHEE

PRAIRIE STATE COLLEGE

LAUNCH OF THE 2026–27 FAFSA® FORM

- ▶ The 2026-27 FAFSA is scheduled to open on October 1, 2025
- ▶ Beta testing
 - ▶ Now through the last day of September
 - ▶ Request access by visiting studentaid.gov/joinbeta
 - ▶ Beta participants are completing the real 2026-27 form, no need to complete it again once the official application is launched on October 1st
- ▶ The 2026-27 FAFSA will include a wizard to help identify who counts as a parent and improved instructions and question text

WHAT HASN'T CHANGED?

- ▶ The FAFSA will continue to be required for federal aid consideration
 - ▶ Will continue to be used for state and institutional need-based aid determination
 - ▶ Will remain an annual application that continuing students will need to complete each year
- ▶ Dependency status questions that determine if parents must provide information on the students FAFSA remain the same
- ▶ The FAFSA will request tax information from the prior-prior tax year
 - ▶ 2026-27 requires 2024 tax information
- ▶ Degree-seeking students will be eligible for federal student loans assuming they complete the FAFSA
 - ▶ Have not reached annual or aggregate limits
 - ▶ Are enrolled at least half-time
 - ▶ Are not in default on previous federal student loans

WHAT CAN I DO RIGHT NOW?

- ▶ Since the FAFSA will open in about a week, it is important to take action as soon as possible
 - ▶ Obtain an FSA ID prior to filing the FAFSA
 - ▶ All students and parents will need an FSA ID
 - ▶ If parents file their taxes separately, they will both need an FSA ID
 - ▶ If parents file taxes jointly, then they only need one between the two of them
- ▶ The FAFSA requests tax information from the prior-prior tax year
 - ▶ Families with significant reductions in income levels should contact the Financial Aid office to request a special circumstances review
- ▶ Apply for an FSA ID to file the FAFSA at <https://studentaid.gov/fsa-id/create-account/launch>

ONE BIG BEAUTIFUL BILL ACT (OBBA)- PELL

- ▶ FAFSA Asset Exemptions
 - ▶ Reinstates the exception of family farms and family owned small businesses
 - ▶ Assets from the SAI calculations and expands asset exemptions to family owned commercial fisheries
- ▶ Foreign income and Pell eligibility
 - ▶ Requires that foreign income be included in the AGI used to calculate Pell grant eligibility
- ▶ Students with high SAI
 - ▶ Prevents students from receiving Pell if their SAI exceeds twice the maximum Pell grant award
- ▶ Full COA Scholarship & Grants
 - ▶ Student who receive grants or scholarships from non-federal sources covering their entire Cost of Attendance (COA) are ineligible to receive a Pell grant, even if otherwise eligible for the program

ONE BIG BEAUTIFUL BILL ACT-LOANS

- ▶ Institutionally determined loan limits
 - ▶ Allow institutions to impose their own lower program level loan limits
 - ▶ Must be applied to the entire program and not on a student by student basis
- ▶ Loan proration
 - ▶ Requires institutions to prorate annual loan amounts in direct proportion to the percent of full-time status the student is enrolled
- ▶ Parent Plus Annual & Aggregate Loan Limits
 - ▶ All parents combined may borrow \$20,000 yearly per dependent student & \$65,000 aggregate limit per dependent student

OBBA-LOANS CON'T

- ▶ Graduate Plus Loan program
 - ▶ Type of federal student loan for graduate and professional students to help pay for educational expenses not covered by other financial aid
 - ▶ Requires a credit check and is offered by the U.S. Department of Education
- ▶ Graduate/Professional Annual & Aggregate Loan limits
 - ▶ Annual loan limits capped at \$20,500 for graduate students
 - ▶ \$50,000 for Professional students (Veterinarian, Dentistry etc.)
 - ▶ Aggregate (lifetime) limit, \$200,000
 - ▶ Does not include amounts borrowed as an undergrad

QUESTIONS