



2025-2026 FAFSA UPDATES

LESLIE LLOYD, ASSOCIATE DIRECTOR FINANCIAL AID

LINN-BENTON COMMUNITY COLLEGE

AGENDA



How did we
get here?



Batch
Corrections



25-26
Enhancements



New updates



HOW DID WE GET HERE?

- FAFSA Simplification Act of 2019 + FUTURE Act = Consolidation Appropriations Act of 2021
- The FUTURE Act gave us the automatic data exchange with the IRS (DDX) as well as the new income-driven repayment plans and confirmation of income for total and permanent disability discharge.
- The FAFSA Simplification Act gave us the phased approach to changes - Updated EFC to SAI for 24-25 - updated language associated with COA and special rules for independent students - and modified the terms and conditions qualifying students for Pell Grant.
- This was implemented starting in the 2021-22 year and had various changes in the 22-23, 23-24 and 24-25 year. 25-26 is the first year we won't technically be dealing with any FAFSA SIMPLIFICATION changes!!

REMEMBER THIS?

SENATOR LAMAR ALEXANDER



2025-2026 Updates / Enhancements

- 2025-26 FAFSA will largely remained unchanged
- FSA's goal is to get the 25-26 FAFSA to function as intended, including being able to make batch corrections and allowing ALL families, regardless of SSN status, to complete the FAFSA
- To do that, areas the 25-26 FAFSA is expected to improve include:

1. Improving the user experience for students and families

- The most common reasons students need corrections include missing student and parent signatures and only being considered for Direct Unsubsidized loans.
- To address missing signatures, FSA will provide a pop-up window to flag missing signatures and more explicitly indicate that submitting without a contributor signature will result in an error. These changes have brought the error rate down from 5% for parents and nearly 9% of students to under 2% for both groups.

2025-2026 Updates / Enhancements

1. Improving the user experience for students and families (continued):

- To address only being considered for Direct Unsub loans - they are changing the question label and associated help text, defaulting to the answer “no”, and adding a pop-up message to warn applicants about potential errors in their form if they change their answer to “yes”. Since these changes have been implemented, there is a selection rate under 1%.

2. Improving resources for students and families to assist them in navigating the form

- Additional clarification around how to navigate the form;
- An expanded “Who’s My Parent” tool that builds from lessons learned on the 24-25 cycle;
- Materials translated into additional common languages spoken in the US;
- New videos and preview of the 25-26 FAFSA

2025-2026 Updates / Enhancements

3. Addressing the ongoing issues experienced by mixed-status families

- Prior to April, parents without SSN's were not able to use the IRS direct data exchange tool which prevented issues for them in completing the FAFSA. In late April, the Department announced changes to the system, which allowed those without an SSN to immediately access the 24-25 application, after creating an FSA ID.
- The department has extended the process change implemented in April into the 25-26 cycle so contributors without an SSN are not required to complete the manual identity validation process. This change will stay in place for the 25-26 cycle. Beginning in the 26-27 FAFSA form, FSA believes they will go back to the validation process at that time, even if they had successfully completed a 24-25 or 25-26 FAFSA.
- “The Department will continue to make improvements to the identity validation process for those without SSNs, including expanding the number and types of documents that can be submitted as proof of identity, creating a digital attestation form, making it easier for those without an SSN to use the existing automated validation process through TransUnion, and ultimately putting a smart tool in place that fully automates the identity validation process.”

Batch Corrections

Recent update: will be available by the end of February.

Some software companies will not be implementing the capability of batch corrections due the complexity of ensuring prior corrections are not sent.

FSA UPDATE HIGHLIGHTS

- FAFSA Submission Summary (used to be called SAR)
- FAFSA Partner portal (replaced FAA ACCESS CPS Online). This does not have federal tax information. Used for corrections
- 2025-26 is virtually unchanged. Faster delivery -receive within a few days. Batch corrections will be available during first quarter of 2025.
- ISIR record layout – REVIEW!
- SAI Change flag 1 SAI increase / 2 SAI decrease. *NEW*
- EA GEN 25-140 December 6, 2024 for Updating individuals without social security number
- FAFSA asks if the family size on taxes is correct. If no, then FAFSA will ask stu/family to enter in a new figure. Then the updated amount comes through on the FAFSA.
- 2526 is transferred directly from ISIR and parent/ student updates that number and that is the same from IRS, then verification of family size is not required. If family size is transferred from IRS and it is updated and it is different, then we must verify. Exemptions are still in place. Dependent 3/1, 2/1, etc.

RESOURCES

- <https://askregs.nasfaa.org/article/37005/when-will-the-batch-corrections-functionality-be-available-for-the-2024-25-and-2025-26-award-years>
- <https://askregs.nasfaa.org/resources/GetResourceFile/68>
- <https://www.ed.gov/sites/ed/files/2024-09/AFocusonImprovingtheFAFSAExperience.pdf>
- <https://fsapartners.ed.gov/sites/default/files/2024-08/20252026StudentAidIndexSAIandPellGrantEligibilityGuide.pdf>
- <https://financialaidtoolkit.ed.gov/tk/learn/fafsa/updates.jsp#:~:text=the%20FSA%20ID,-,Changes%20on%20the%202025%E2%80%9326%20FAFSA%C2%AE%20Form,help%20complete%20the%20financial%20sections>
- <https://fsapartners.ed.gov/sites/default/files/2024-10/202526FSGVol1SummaryOfChanges.pdf>
- https://fsatraining.ed.gov/pluginfile.php/195191/mod_label/intro/2025_26%20ISIR%20Presentation%20Slides%201.15.25%20%282%29.pdf

The background is a gradient from deep purple on the left to dark blue on the right. It features several semi-transparent technical diagrams, including circular gauges with numerical scales (e.g., 140, 150, 160, 170, 180, 190, 200, 210, 220, 230, 240, 250, 260) and various circular patterns with arrows. There are also numerous bokeh light spots of varying sizes and colors scattered across the scene.

THANK YOU!

LLOYDL@LINNBENTON.EDU