Important FAFSA Updates that Impact Incarcerated Students

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On December 27, 2020, the Free Application for Federal Student Aid (FAFSA) Simplification Act was signed into law, reversing the portion of the Violent Crime Control and Law Enforcement Act of 1994 that banned incarcerated students from accessing Federal Pell Grants to pay for college. Although the law is set to take effect no later than July 1, 2023, the U.S. Department of Education exercised their early implementation authority granted in the Act for two key provisions that greatly impact incarcerated students. As of the 2021-2022 financial aid year:

1. The requirement for men under age 26 to have been registered with the Selective Service System to receive federal student aid has been removed. In the past, this requirement created a tremendous barrier for incarcerated students and was time consuming to resolve.

2. The FAFSA will no longer require applicants to provide information about drug-related convictions. Previously, people with certain drug-related convictions could not qualify for federal student aid. The law removes that restriction, making it easier for more students to qualify. (Note: until the FAFSA form is updated, this question may still appear on the form, but can be ignored.)

Other provisions of the FAFSA Simplification Act are due to be implemented no later than July 1, 2023. For instance, the law:

- defines incarceration or parental incarceration as an "unusual circumstance," allowing financial aid officers to more easily exercise their professional judgement authority to grant dependency overrides, making it easier for younger incarcerated students and students with incarcerated parents to accurately document their circumstances and qualify for financial aid;
- establishes new guidelines to determine the “cost of attendance” for incarcerated students, including tuition, fees, books, and supplies, as well as the cost of obtaining a license, certification, or a first professional credential;
- replaces Expected Family Contribution (EFC) with the Student Aid Index (SAI) and increases the number of students eligible to receive the maximum Pell Grant; and
- reduces the number of questions on the FAFSA form by two-thirds, from 108 to 36.

Regulations for enacting these provisions, as well as any additional policies and regulations stemming from the law, will be finalized and disseminated with the field prior to the implementation date. With the exception of the Selective Service registration and drug conviction questions noted above in items one and two, all other information in this toolkit remains accurate to processing financial aid for people in prison through July 1, 2023.

Endnotes

For more information about the new law, see: Juan Martinez-Hill, A Monumental Shift: Restoring Access to Pell Grants for Incarcerated Students (New York: Vera Institute of Justice, 2021), vera.org/publications/restoring-access-to-pell-grants-for-incarcerated-students.