

# NATIONAL STUDENT AID PROFILE: OVERVIEW OF 2024 FEDERAL PROGRAMS



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# Overview

The National Association of Student Financial Aid Administrators' (NASFAA) National Student Aid Profile is an annual publication designed to give a high-level overview of the federal student financial aid programs that provide funding to millions of students each year.

In this profile, you will find an overview of:

- The Federal Pell Grant Program
- The Federal Supplemental Educational Opportunity Grant (FSEOG) Program
- The Federal Work-Study Program
- The Federal Direct Subsidized and Unsubsidized Loan Programs
- The Federal Direct PLUS Loan Program

For each program, in addition to a basic description, you will find the most up-to-date data and information on the:

- Number of Recipients
- Total Volume of Awards
- Federal Funding Levels
- Distribution by Family Income

In addition, we provide an appropriations update on Title IV program funding for the 2024-25 award year.

Due to the impacts of the coronavirus pandemic (COVID-19), the U.S. Department of Education (ED) took action to mitigate the negative economic effects on federal student loan borrowers by providing a number of flexibilities. These temporary flexibilities included a suspension of loan payments and interest accrual, and a halt to collections on defaulted loans. Interest on federal student loans began to accrue on Sept. 1, 2023, and student loan borrowers resumed making monthly payments in October 2023. In order to promote borrower success, ED has provided a 12-month on-ramp back into repayment through Sept. 30, 2024. During this period, interest continues to accrue but borrowers are not reported as delinquent if they miss a payment, and their loans will not go into default. The overall impacts of the COVID-19 pandemic on student loan borrowing, repayment, and other aspects of federal student aid may not be known for several years. NASFAA will continue to update our National Student Aid Profile with new data as it is released annually to help further inform the community.

If you have any questions or would like more information, you may reach out to NASFAA's Policy & Federal Relations Staff at [policy@nasfaa.org](mailto:policy@nasfaa.org) or 202-785-0453.

Table 1. Summary Descriptions of the Major Federal Student Aid Programs

Program Name	Program Description	Number of Recipients and Average Awards	Volume 2022-23
<b>Federal Pell Grant</b>	Provides grants to low-income undergraduates who have not yet earned a first bachelor’s degree with the greatest demonstrated financial need. The 2023-24 maximum award was \$7,395 and the minimum award amount for a full-time student was \$750. For 2024-25, the maximum award is \$7,395 and the minimum award amount for a full-time student is \$740.	Approximately 6.1 million recipients in 2022-23. Average award was \$4,409. Just over 75% of recipients had family incomes of less than \$40,000.	The total federal volume for Pell Grants was \$27.2 billion.
<b>Federal Supplemental Educational Opportunity Grant (FSEOG)</b>	Provides grants to low-income undergraduates with the greatest demonstrated financial need. Maximum award is \$4,000; minimum award is \$100. Priority must be given to students who receive Federal Pell Grants, and FSEOG must be offered first to students who have the lowest expected family contributions (EFC).* At least 25% of FSEOG dollars must come from institutional resources.	Approximately 1.8 million recipients in 2021-22. Average award was \$800. Just over 64% of dependent recipients came from families with an income of less than \$30,000.	The total federal volume was \$1.4 billion.
<b>Federal Work-Study (FWS)</b>	Provides part-time jobs to financially needy undergraduate and graduate/professional students. Jobs must, to the extent possible, be related to students’ academic or career goals. Institutions must generally contribute at least 25% of wages paid.	Approximately 431,000 recipients in 2021-22. The average award was \$1,980. Of dependent undergraduate recipients, roughly 42% had family incomes below \$42,000.	The total federal volume was \$853 million.

*\*Effective with the 2024-25 aid year, the Student Aid Index (SAI), will replace the Expected Family Contribution (EFC). All 2024 profile data reflecting aid years prior to the 2024-25 aid year use the EFC.*

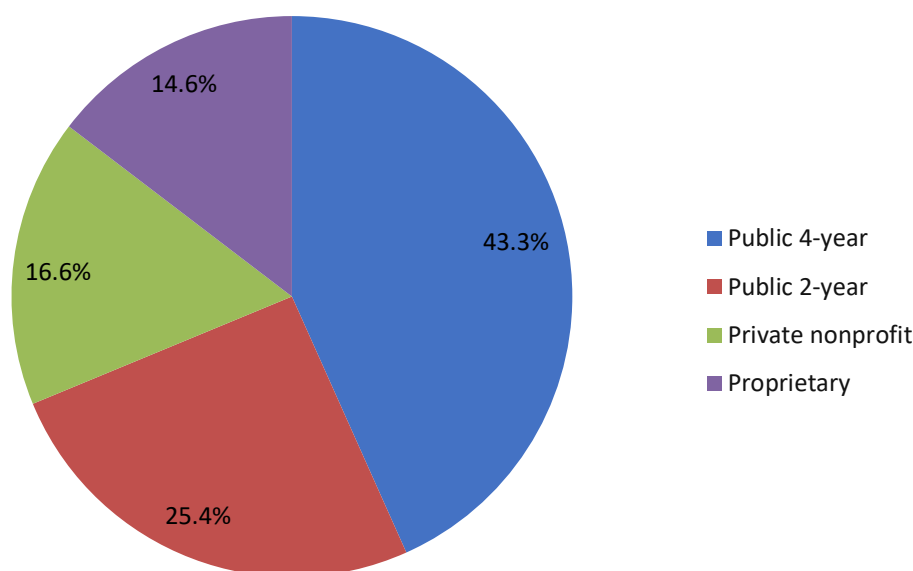
Table 1. Summary Descriptions of the Major Federal Student Aid Programs (continued)

Program Name	Program Description	Number of Recipients and Average Awards	Volume 2022-23
<b>Federal Direct Subsidized Loan</b>	Provides low-interest loans to financially needy undergraduate students. Interest on the loans is paid by the government while borrowers are in school, in the grace period, and during deferment. Borrowing is subject to annual and aggregate loan limits. Borrowers begin repaying loans six months after ceasing at least half-time enrollment in postsecondary education, unless the borrower qualifies for deferment. Cancellation of loans is available for employment in certain designated fields, under certain conditions.	Approximately 4.1 million borrowers in 2022-23. Average loan of \$3,745.	The total loan volume was \$15.4 billion.
<b>Federal Direct Unsubsidized Loan</b>	Provides low-interest loans to undergraduate and graduate/professional students. Loans are provided regardless of a borrower’s income or financial need, as long as total aid does not exceed cost of attendance. Recipients are charged interest on the loans at all times. Borrowing is subject to annual and aggregate loan limits; limits are higher for independent students. Unless borrowers qualify for deferment, loan repayment begins six months after they cease at least half-time enrollment in postsecondary education. Cancellation of loans is available for borrowers employed in designated fields, under certain conditions.	Approximately 5.6 million borrowers in 2022-23. Average loan of \$4,129 for undergraduate students and \$19,205 for graduate students.	The total loan volume was \$43.7 billion.
<b>Federal Direct PLUS Loan</b>	Provides loans to (1) the parents of dependent undergraduates, as defined by the Higher Education Act, and (2) graduate and professional students. Borrowers may obtain loans up to the full amount of the cost of education, minus any aid students receive from other sources. Loans are provided regardless of income, but borrowers must pass a credit check or obtain an endorser.	Approximately 609,738 parent borrowers in 2022-23. Average loan of \$18,462. In the same award year, an estimated 447,060 graduate/professional students borrowed an average of \$29,684 in Grad PLUS loans.	PLUS borrowers (parents and graduate/professional students) received \$24.5 billion.

## The Federal Pell Grant Program

**Program Description.** The Federal Pell Grant program is the “foundational” federal student aid program. The program provides grants to financially needy undergraduate students who have not yet earned their first bachelor’s degree to help pay the costs of attending a postsecondary institution. (In very limited circumstances, post-baccalaureate students in teacher education programs may also qualify for Pell Grants.) Schools must determine a student’s Federal Pell Grant eligibility before calculating eligibility for other federal student aid programs. During the annual congressional appropriations process, the minimum and maximum Pell Grant award levels are established for the upcoming award year. In award year 2023-24, grants ranged from \$750 to \$7,395. In award year 2024-25, grants will range from \$740 to \$7,395. The amounts students receive are based on their educational costs and the family’s ability to contribute to college costs. **View Appendix A to see data on the Federal Pell Grant program broken down by state.**

Figure 1. Distribution of Pell Grant Recipients by Type of Institution, Award Year 2021-22



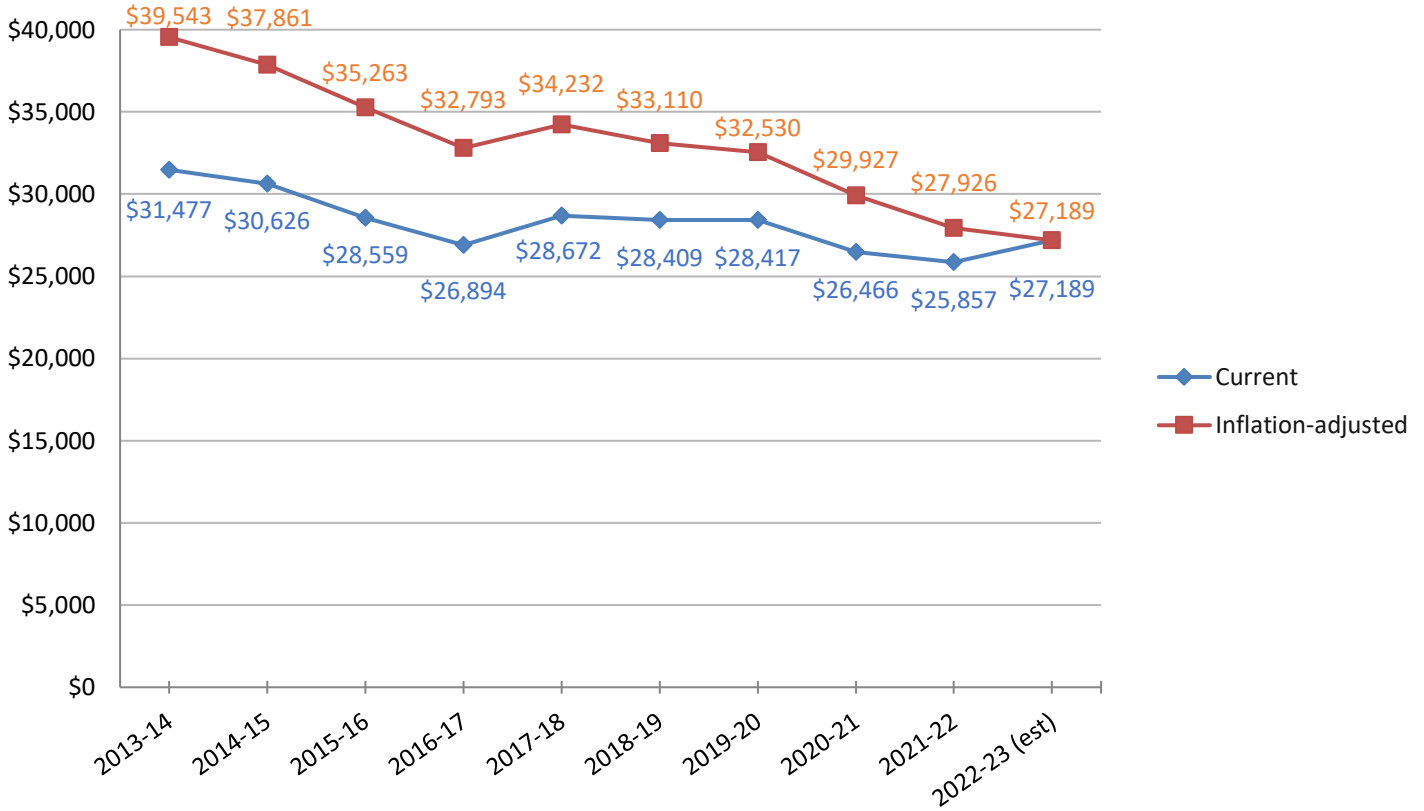
Source: U.S. Department of Education, Federal Pell Grant Program End-of-Year Report, 2021-22.

Table 2. Number and Distribution of Pell Grant Recipients by Family Income Level, Award Year 2021-22

Family Income Level	Number	Percentage
\$6,000 or less	1,122,284	18.46%
\$6,001 to \$15,000	967,379	15.91%
\$15,001 to \$20,000	633,910	10.43%
\$20,001 to \$30,000	1,084,626	17.84%
\$30,001 to \$40,000	782,271	12.87%
\$40,001 to \$50,000	590,883	9.72%
\$50,001 to \$60,000	414,191	6.81%
\$60,001 and over	484,423	8%
Total	6,079,967	100%

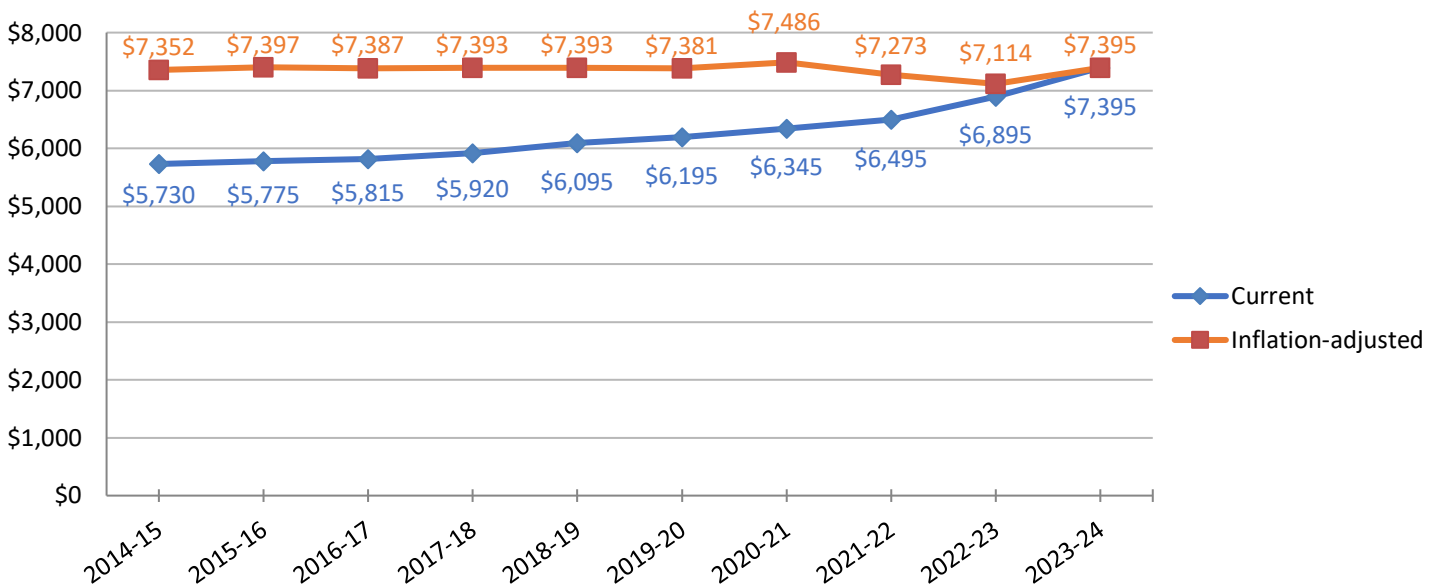
Source: U.S. Department of Education, Federal Pell Grant Program End-of-Year Report, 2021-22.

Figure 2: Federal Pell Grant Expenditures in Current and Inflation-Adjusted Dollars (in millions), 2013-14 to 2022-23



Source: The College Board, Trends in Student Aid, 2023.

Figure 3: Maximum Pell Grant Award in Current and Inflation-Adjusted Dollars, 2014-15 to 2023-24



Source: U.S. Department of Education, Federal Pell Grant Program End-of-Year Report, 2021-2022; FSA data from website, 2024. Inflation-adjusted to 2023 dollars calculated by NASFAA, using the Consumer Price Index (CPI-U) for the July beginning of the academic year.



## Campus-Based Aid Programs

The U.S. Department of Education (ED) requires schools to contribute a portion of the funding for campus-based aid programs, but financial aid administrators at each participating postsecondary institution must use federal program guidelines to determine which students will receive awards and how much they will receive. These programs include the Federal Supplemental Educational Opportunity Grant program and the Federal Work-Study program.

### The Federal Supplemental Educational Opportunity Grant Program

**Program Description.** The Federal Supplemental Educational Opportunity Grant (FSEOG) program provides grants to financially needy undergraduates at postsecondary institutions. Financial assistance from the FSEOG program generally supplements the aid students receive from other sources. Students must have “exceptional” financial need to receive FSEOG awards. Schools must give priority to students who receive Federal Pell Grants, and awards must first be made to students with the lowest expected family contributions (EFC)\* — that is, starting with a \$0 EFC and then moving upward. The minimum FSEOG award is \$100, and the maximum is \$4,000. Institutions that participate in the program receive federal allocations to distribute awards. These institutions must match their federal allocations with funds from their own resources, so that no more than 75% of FSEOG awards represent the federal share. **View Appendix A to see data on the FSEOG program broken down by state.**

*\*Effective with the 2024-25 aid year, the Student Aid Index (SAI), will replace the Expected Family Contribution (EFC). All 2024 profile data reflecting aid years prior to the 2024-25 aid year use the EFC.*

**Table 3a. Number of Dependent Undergraduates Who Received Federal Supplemental Educational Opportunity Grants by Family Income Level, Award Year 2021-22**

Family Income Level	Recipients	Recipients Percentage	Total FSEOG Dollars *	Dollars Percentage	Average FSEOG Award
Less than \$6,000	144,333	14.9%	\$128,651,628	14%	\$891
\$6,000 to \$11,999	78,914	8.2%	\$71,547,373	7.8%	\$907
\$12,000 to \$23,999	268,726	27.8%	\$246,759,275	26.8%	\$918
\$24,000 to \$29,999	129,818	13.4%	\$122,342,649	13.3%	\$942
\$30,000 to \$41,999	169,983	17.6%	\$167,339,291	18.2%	\$984
\$42,000 to \$59,999	116,407	12.0%	\$119,838,203	13.0%	\$1,029
\$60,000 and over	59,827	6.2%	\$65,498,153	7.1%	\$1,135
Total*	968,008	100.0%	\$921,976,572	100.0%	\$952

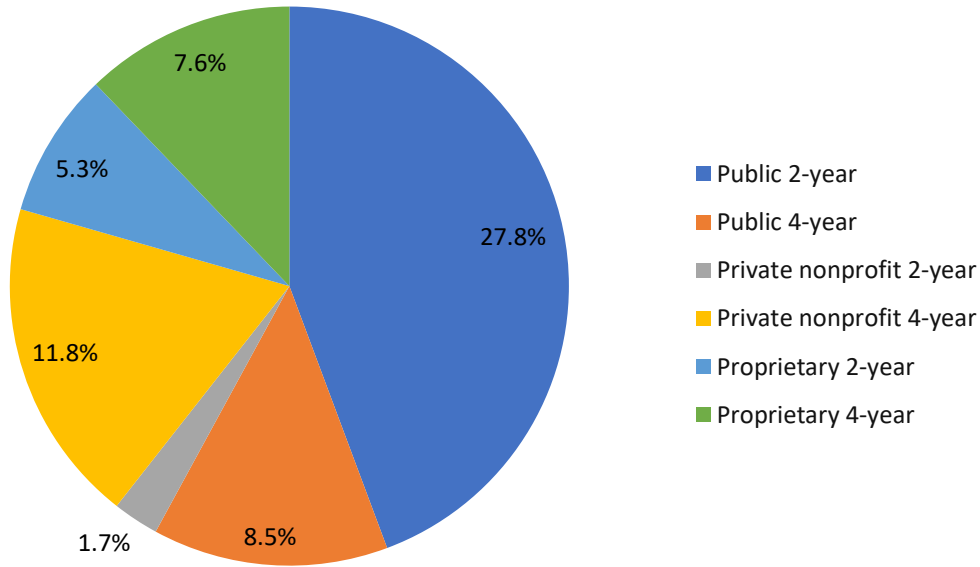
**Table 3b. Number of Independent Undergraduates Who Received Federal Supplemental Educational Opportunity Grants by Family Income Level, Award Year 2021-22**

Family Income Level	Recipients	Recipients Percentage	Total FSEOG Dollars *	Dollars Percentage	Average FSEOG Award
Less than \$2,000	191,629	23.1%	\$125,333,885	24.2%	\$654
\$2,000 to \$3,999	42,281	5.1%	\$29,305,147	5.7%	\$693
\$4,000 to \$7,999	86,456	10.4%	\$57,892,045	11.2%	\$670
\$8,000 to \$11,999	100,945	12.2%	\$64,025,809	12.4%	\$634
\$12,000 to \$15,999	68,875	8.3%	\$40,489,549	7.8%	\$588
\$16,000 to \$19,999	60,412	7.3%	\$34,782,272	6.7%	\$576
\$20,000 and over	279,937	33.7%	\$165,420,812	32%	\$591
Total*	830,535	100.0%	\$517,249,519	100.0%	\$623

\*Total dollar amounts include federal funds and institutional matching funds.

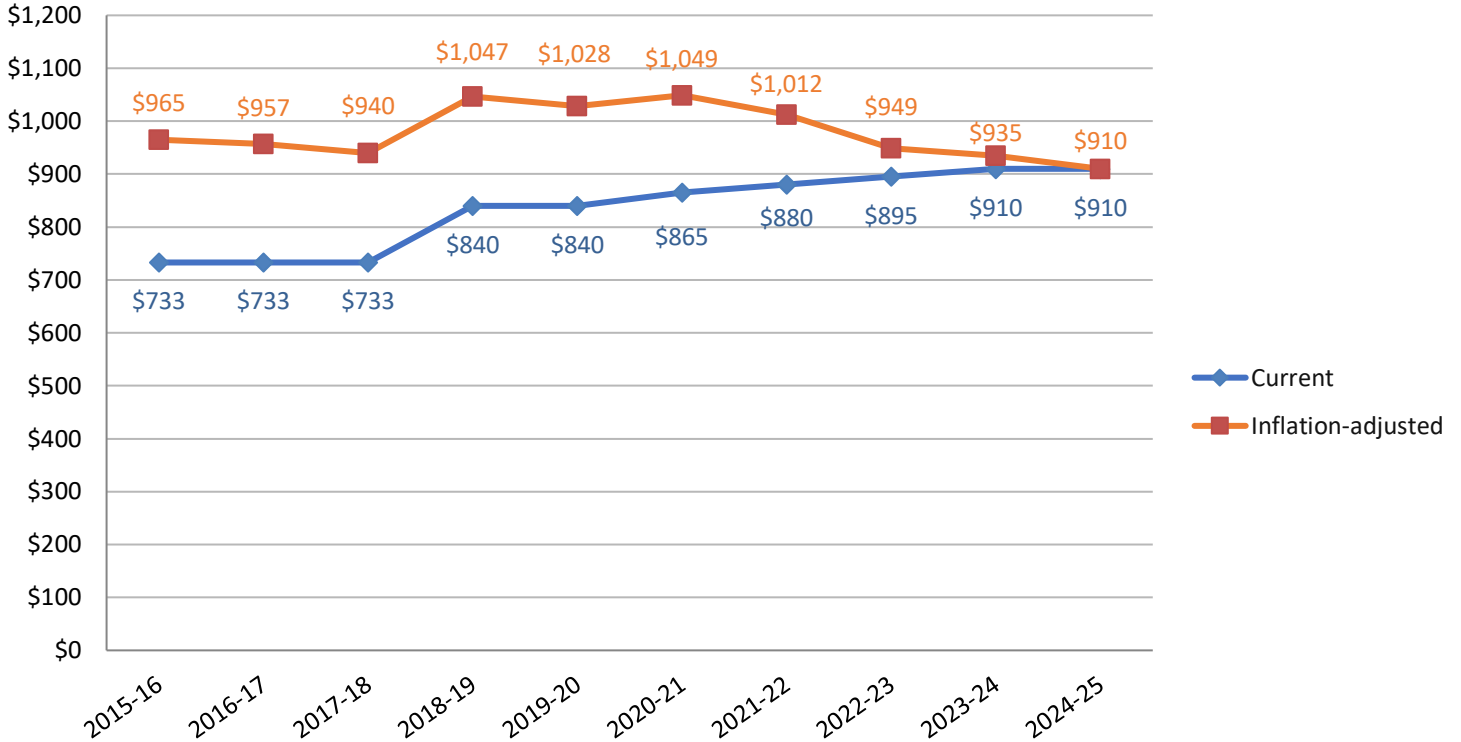
Source for Tables 3a and 3b: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2023.

Figure 4. Distribution of Federal Supplemental Educational Opportunity Grant Recipients by Type of Institution, Award Year 2021-22



Source: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2023.

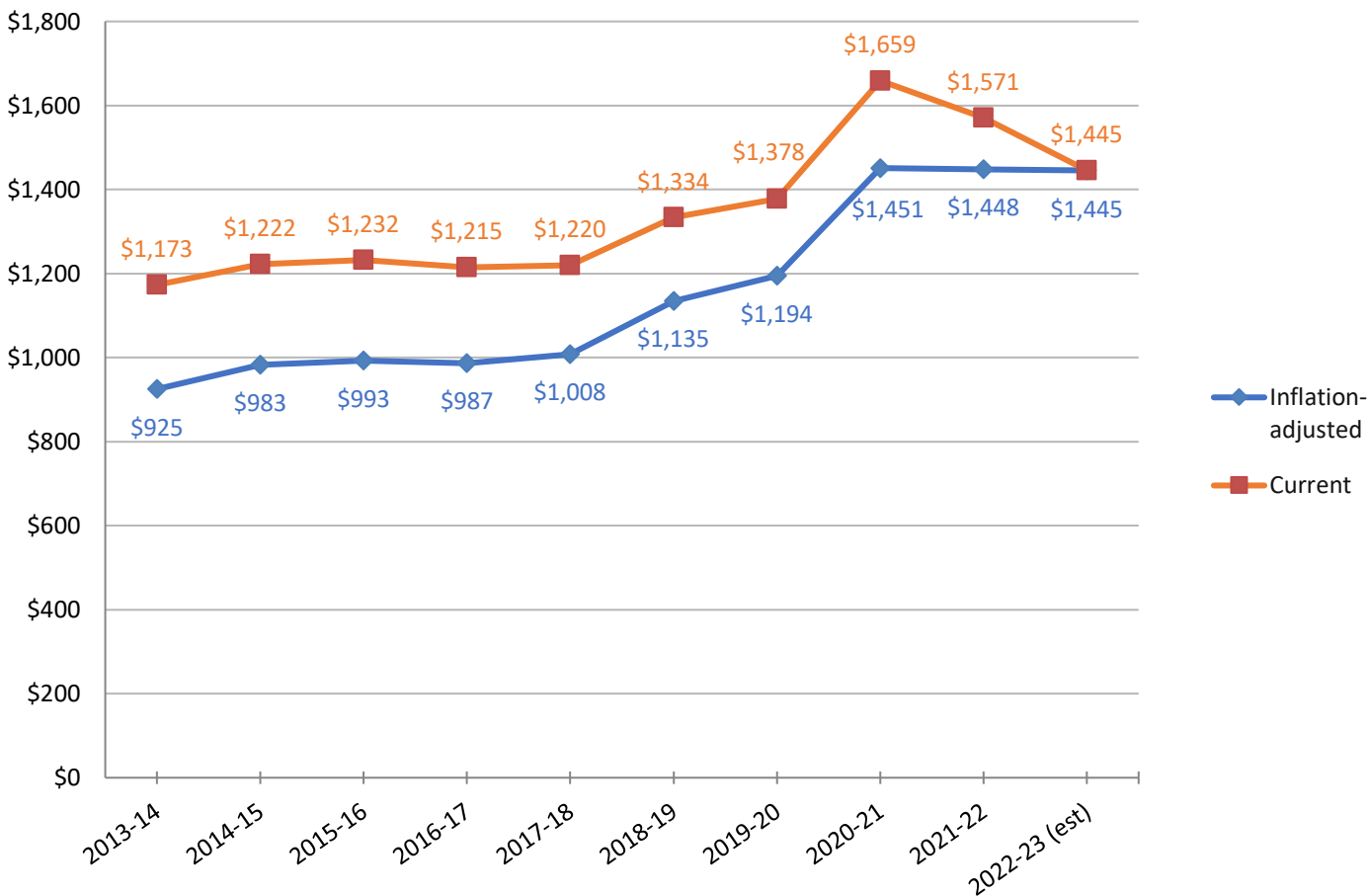
Figure 5a. Federal Appropriations for the Federal Supplemental Educational Opportunity Grant Program in Current and Inflation-Adjusted Dollars (in millions), 2015-16 to 2024-25



Note: Does not include institutional matching funds

Source: U.S. Education Department, Budget History Table: FY 1980-FY 2021; NASFAA, "Congress Releases Sprawling Fiscal Year 2024 Spending Package With Retention of Maximum Pell Grant and Minor Cuts to ED"

Figure 5b. Federal Supplemental Educational Opportunity Grant Program Volume in Current and Inflation-Adjusted Dollars (in millions), 2013-14 to 2022-23



Note: The HEA permits institutions to transfer up to 25% of its Federal Work-Study (FWS) funds to the FSEOG program. The CARES Act, the CRRSA Act, and the ARP Act, the major legislations enacted during the COVID-19 national emergency that created the HEERF funding streams, all permitted institutions to transfer 100% of unexpended FWS to FSEOG during the pandemic. This impacted a portion of award year 2019-20, all of 2020-21 and 2021-22, as well as a portion of 2022-23, and likely caused a spike in FSEOG volume in those years.

\*\*Total dollar amounts include federal funds and institutional matching funds.

Source: U.S. Department of Education, *Federal Campus-Based Programs Data Book, 2023*.

## The Federal Work-Study Program

**Program Description.** The Federal Work-Study (FWS) program provides part-time jobs to undergraduate, graduate, and professional students at postsecondary institutions. Generally, aid from the FWS program supplements the assistance students receive from Federal Pell Grants and other sources. The FWS program is a need-based program; that is, recipients must have demonstrated financial need to be awarded FWS.

FWS amounts must be based on demonstrated financial need, the number of hours students are expected to work each week, and the anticipated hourly wage.

For most FWS jobs, the federal program funds are used to pay 75% of the students' wages. The remaining 25% is provided by the institution or the students' employers. (Private for-profit businesses that employ FWS recipients must pay at least 50% of students' wages from their own resources.) A lower non-federal share is permitted under specific limited conditions. **View Appendix A to see data on the FWS program broken down by state.**

Table 4a. Number of Dependent Undergraduates Who Received Federal Work-Study Awards by Family Income Level, Award Year 2021-22

Family Income Level	Recipients	Recipients Percentage	Total FWS Dollars*	Dollars Percentage	Average FWS Award
Less than \$6,000	20,366	6%	\$39,775,435	6.3%	\$1,953
\$6,000 to \$11,999	11,793	3.4%	\$23,472,600	3.7%	\$1,990
\$12,000 to \$23,999	39,624	11.6%	\$78,332,817	12.3%	\$1,977
\$24,000 to \$29,999	21,156	6.2%	\$41,610,023	6.6%	\$1,947
\$30,000 to \$41,999	41,666	12.2%	\$81,114,717	12.8%	\$1,916
\$42,000 to \$59,999	54,296	15.9%	\$104,027,733	16.4%	\$1,862
\$60,000 and over	152,980	44.7%	\$266,080,900	41.9%	\$1,776
Total*	341,881	100.0%	\$634,414,225	100.0%	\$1,856

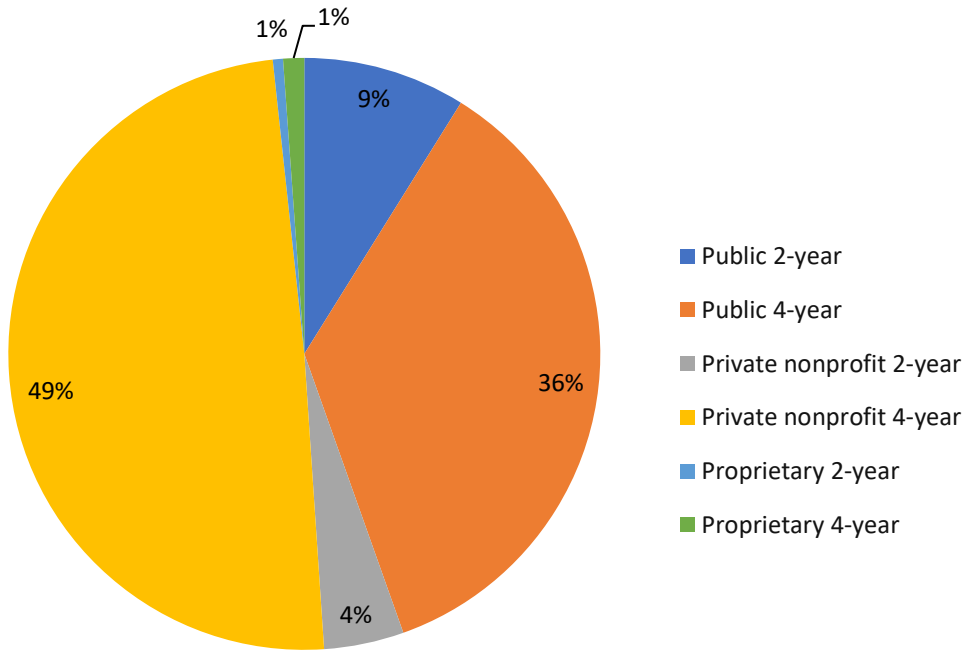
Table 4b. Number of Independent Undergraduates Who Received Federal Work-Study Awards by Family Income Level, Award Year 2021-22

Family Income Level	Recipients	Recipients Percentage	Total FWS Dollars*	Dollars Percentage	Average FWS Award
Less than \$2,000	13,074	26.6%	\$27,294,687	25.2%	\$2,088
\$2,000 to \$3,999	3,889	7.9%	\$8,123,239	7.5%	\$2,089
\$4,000 to \$7,999	6,874	14%	\$14,789,828	13.6%	\$2,152
\$8,000 to \$11,999	5,929	12.1%	\$13,881,406	12.8%	\$2,341
\$12,000 to \$15,999	4,505	9.2%	\$10,135,076	9.3%	\$2,250
\$16,000 to \$19,999	3,239	6.6%	\$7,686,249	7.1%	\$2,373
\$20,000 and over	11,688	23.8%	\$26,606,796	24.5%	\$2,279
Total*	49,198	100.0%	\$108,517,281	100.0%	\$2,206

\*Total dollar amounts include federal funds and institutional matching funds.

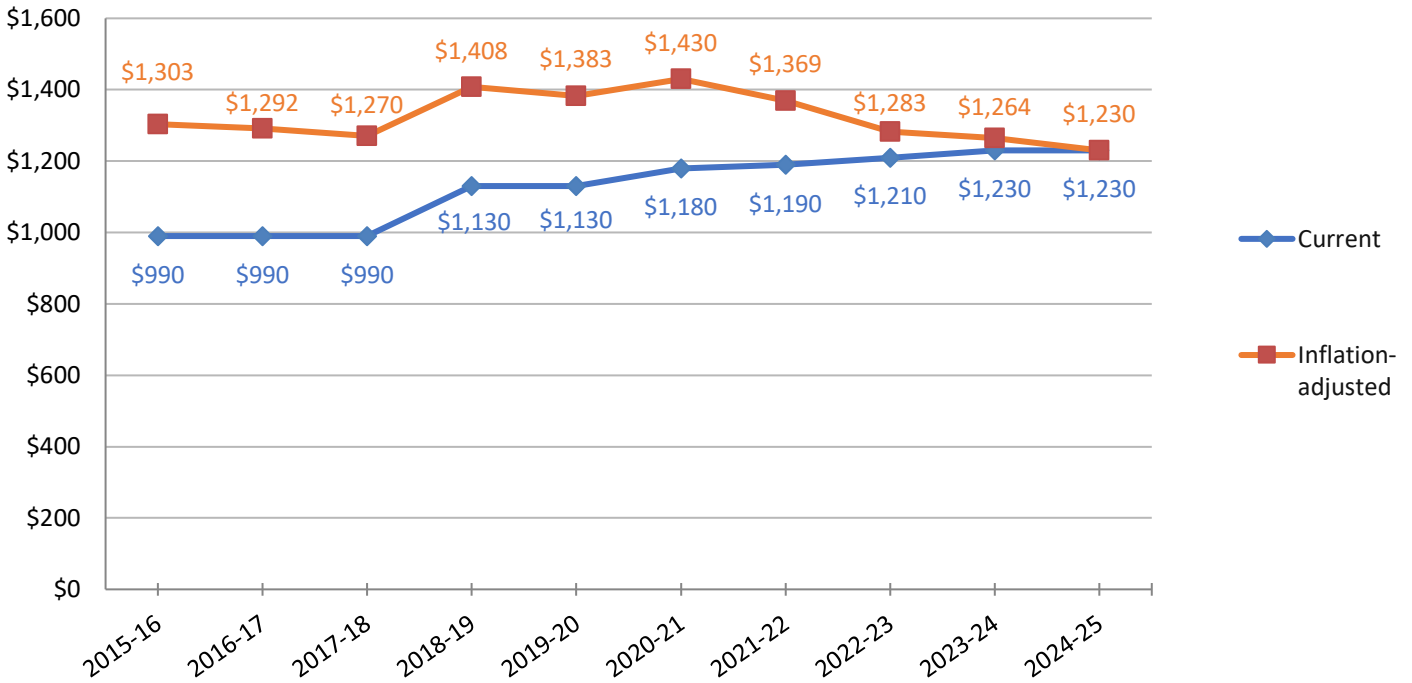
Source for Tables 4a and 4b: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2023.

Figure 6. Distribution of Federal Work-Study Recipients by Type of Institution, Award Year 2021-22



Source: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2023.

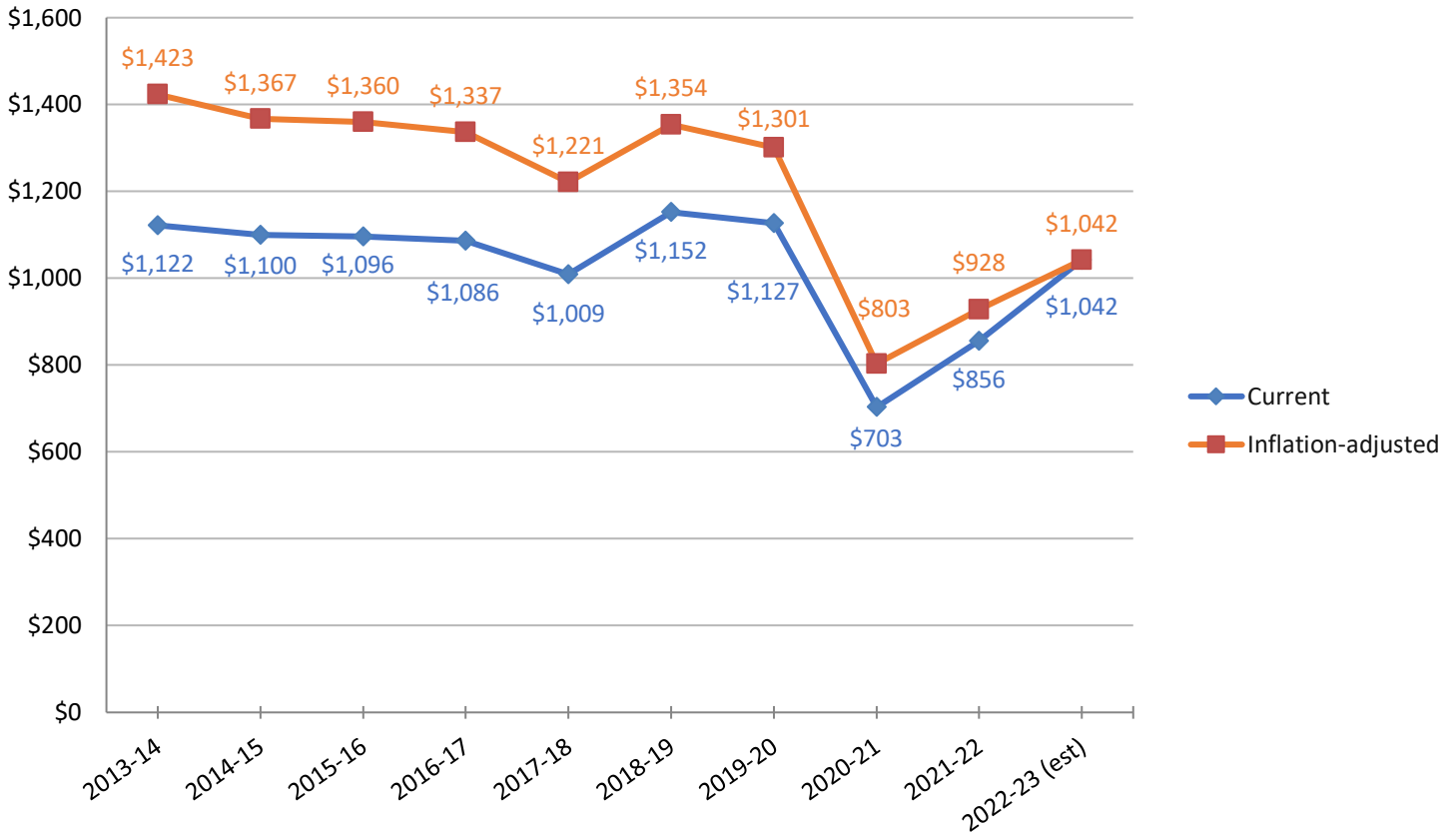
Figure 7a. Federal Appropriations for the Federal Work-Study Program in Current and Inflation-Adjusted Dollars (in millions), 2014-15 to 2024-25



Note: Does not include institutional matching funds

Source: U.S. Education Department, Budget History Table: FY 1980-FY 2021; NASFAA, "Congress Releases Sprawling Fiscal Year 2024 Spending Package With Retention of Maximum Pell Grant and Minor Cuts to ED"

Figure 7b. Federal Work-Study Program Volume in Current and Inflation-Adjusted Dollars (in millions), 2013-14 to 2022-23



Note: The HEA permits institutions to transfer up to 25% of its Federal Work-Study (FWS) funds to the FSEOG program. The CARES Act, the CRRSA Act, and the ARP Act, the major legislations enacted during the COVID-19 national emergency that created the HEERF funding streams, all permitted institutions to transfer 100% of unexpended FWS to FSEOG during the pandemic. This impacted a portion of award year 2019-20, all of 2020-21 and 2021-22, as well as a portion of 2022-23, and likely caused an increase in FWS volume during those years.

\*\* Total dollar amounts include federal funds and institutional matching funds.

Source: U.S. Department of Education, *Federal Campus-Based Programs Data Book, 2023*

The following table lists 2023-24 federal allocations for FSEOG and FWS by state. Approved allocations for FSEOG total \$904,783,667 for 3,430 schools, with FWS obligated funds totaling \$1,212,350,175 for 2,994 schools. These programs operate in all 50 states, the District of Columbia, and six U.S. territories. The five states with the largest total FSEOG and FWS award amounts include California, New York, Texas, Pennsylvania, and Florida.

Table 5. Supplemental Educational Opportunity Grant and Federal Work-Study Obligated Funds by State, Federal Award Year 2023-24

State	FSEOG		FWS	
	Participating Institutions	Allocation	Participating Institutions	Allocation
Alabama	54	\$12,992,146	51	\$16,477,876
Alaska	8	\$1,072,161	8	\$1,030,345
American Samoa	1	\$92,155	1	\$78,923
Arizona	46	\$31,580,598	35	\$23,181,962
Arkansas	47	\$6,042,892	44	\$8,027,252
California	379	\$112,275,516	319	\$146,732,872
Colorado	51	\$14,628,920	43	\$19,084,931
Connecticut	40	\$13,199,878	36	\$18,195,080
Delaware	8	\$1,973,421	7	\$2,175,266
District Of Columbia	12	\$8,183,378	11	\$14,003,873
Florida	146	\$48,215,881	101	\$58,248,460
Georgia	89	\$23,653,900	85	\$30,131,952
Guam	3	\$249,080	3	\$526,784
Hawaii	16	\$1,877,488	12	\$2,413,028
Idaho	11	\$2,541,412	10	\$3,081,910
Illinois	134	\$36,439,123	123	\$54,203,108
Indiana	60	\$19,445,083	52	\$23,129,920
Iowa	60	\$8,638,166	51	\$11,940,852
Kansas	52	\$6,003,556	52	\$9,179,861
Kentucky	52	\$10,434,132	49	\$17,406,042
Louisiana	48	\$10,376,298	37	\$16,533,235
Maine	26	\$6,975,989	25	\$8,488,829
Maryland	53	\$13,929,919	45	\$17,901,662
Massachusetts	98	\$29,538,698	87	\$50,716,997
Michigan	81	\$25,562,660	76	\$33,219,098
Minnesota	71	\$19,028,993	70	\$22,011,345
Mississippi	31	\$9,020,312	30	\$12,505,878
Missouri	73	\$13,643,624	69	\$21,699,657
Montana	20	\$1,485,189	20	\$3,158,652
Nebraska	30	\$4,992,849	28	\$6,643,771
Nevada	9	\$3,521,898	9	\$5,301,746

State	FSEOG		FWS	
	Participating Institutions	Allocation	Participating Institutions	Allocation
New Hampshire	20	\$12,944,213	18	\$7,996,223
New Jersey	88	\$20,676,063	53	\$27,986,041
New Mexico	23	\$4,378,734	21	\$7,139,429
New York	257	\$65,397,412	208	\$115,259,317
North Carolina	118	\$22,645,281	117	\$31,215,685
North Dakota	18	\$2,664,392	18	\$3,173,806
Northern Mariana Islands	1	\$74,412	1	\$63,665
Ohio	129	\$28,857,124	106	\$37,561,612
Oklahoma	54	\$8,848,479	43	\$12,581,884
Oregon	48	\$9,973,719	44	\$14,084,372
Palau	1	\$38,428	1	\$127,850
Pennsylvania	158	\$40,466,707	133	\$60,311,451
Puerto Rico	78	\$13,004,377	67	\$17,800,000
Rhode Island	12	\$5,451,635	12	\$7,977,279
South Carolina	57	\$12,976,016	56	\$13,983,429
South Dakota	20	\$2,722,796	18	\$3,930,529
Tennessee	83	\$16,991,835	74	\$22,710,722
Texas	181	\$63,977,544	164	\$75,290,885
Utah	17	\$10,465,026	15	\$7,368,189
Vermont	14	\$4,556,134	13	\$5,378,943
Virgin Islands	1	\$61,908	1	\$85,594
Virginia	79	\$22,246,933	70	\$34,487,077
Washington	63	\$14,545,570	58	\$20,643,834
West Virginia	34	\$4,444,159	31	\$6,147,058
Wisconsin	58	\$17,842,934	54	\$20,710,381
Wyoming	9	\$916,521	9	\$903,753
<b>Totals</b>	<b>3,430</b>	<b>\$904,783,667</b>	<b>2,994</b>	<b>\$1,212,350,175</b>

Source: U.S. Department of Education, Final Notification of Campus-Based Funding for Period: July 1, 2023 to June 30, 2024.



# The Federal Family Education Loan Program and the William D. Ford Direct Student Loan Program

**Program Description.** Before July 1, 2010, Title IV of the Higher Education Act (HEA) authorized two programs for distributing loans to students and parents of dependent undergraduate students. While the terms of the loans ran parallel between the two programs, the difference was the source of funding. The Federal Family Education Loan (FFEL) program, formerly known as the Guaranteed Student Loan program, utilized private and nonprofit sector funding under a system of federal guarantees and support. The FFEL program ceased operations in July 2010 (other than the collection and servicing of outstanding loans) in favor of maintaining just one loan program, the William D. Ford Direct Student Loan program, which is federally funded and administered by ED. The Direct Loan program continues to provide low-interest loans to undergraduate and graduate/professional students and parents of dependent undergraduate students to help pay the costs of attending postsecondary institutions. Loans are “entitlements,” which means that all eligible and qualified borrowers may receive the program funds and benefits, but borrowers are subject to annual and aggregate limits.

The Direct Loan program is an umbrella for four loans made for undergraduate and graduate study (as was the FFEL program):

- Federal Direct Subsidized Loans (also referred to as Subsidized Stafford Loans)
- Federal Direct Unsubsidized Loans (also referred to as Unsubsidized Stafford Loans)
- Federal Direct PLUS Loans, which are made to parents of dependent students and to graduate and professional students
- Consolidation Loans, a repayment option rather than a loan made for attendance at an institution

Borrowers of Federal Direct Loans pay an origination fee on every new loan disbursed. Established in statute, for Federal Direct Subsidized and Unsubsidized Loans, the origination fee is 1%, and for Federal Direct PLUS Loans the fee is 4%. Under sequestration imposed in the Budget Control Act of 2011, origination fees are increased annually based on the mandatory adjustment percentage provided by the Office of Management and Budget. The sequester-required changes for fiscal year 2025 are equal to those of fiscal year 2024, resulting in the same origination fees for loans and grants disbursed between Oct. 1, 2023-Sept. 30, 2024 and Oct. 1, 2024-Sept. 30, 2025.

	Loans first disbursed on or after	
	Oct. 1, 2023 to Sept. 30, 2024	Oct. 1, 2024 to Sept. 30, 2025
<b>Federal Direct Subsidized and Unsubsidized Loans</b>	1.057%	1.057%
<b>Federal Direct PLUS Loans</b>	4.228%	4.228%

Interest rate structures have varied greatly over the years — sometimes being variable with a maximum cap, sometimes fixed. As written in the Bipartisan Student Loan Certainty Act of 2013, all Direct Loans, except for Direct Consolidation Loans, with a first disbursement date on or after July 1, 2013, have variable fixed, market-based interest rates. Interest rates for new Direct Loans will change every July 1 based on market rates and then remain fixed for the life of that loan. All interest rates will apply to loans disbursed on or after July 1 of a given year through June 30 of the following year only. This law will also provide protection to consumers from market spikes by placing rate caps of:

- 8.25% on Federal Direct Subsidized Loans and Federal Direct Unsubsidized Loans for undergraduate students
- 9.5% for Federal Direct Unsubsidized Loans for graduate/professional students
- 10.5% for Parent/Graduate Federal Direct PLUS Loans

ED calculates the interest rates for these loans using a base 10-year Treasury Note Index, plus an add-on amount for each loan program. The following chart outlines the interest rates for the last three award years.

	Treasury Note Index	Add-On Amount	Interest Rate
<b>Federal Direct Subsidized and Unsubsidized Loans: <i>Undergraduate Students</i></b>			
2022-23	2.943%	2.05%	4.99%
2023-24	3.448%	2.05%	5.50%
2024-25	4.483%	2.05%	6.53%
<b>Federal Direct Unsubsidized Loans: <i>Graduate Students</i></b>			
2022-23	2.943%	3.6%	6.54%
2023-24	3.448%	3.6%	7.05%
2024-25	4.483%	3.6%	8.08%
<b>Federal Direct PLUS Loans: <i>Parents and Graduate/Professional Students</i></b>			
2022-23	2.943%	4.6%	7.54%
2023-24	3.448%	4.6%	8.05%
2024-25	4.483%	4.6%	9.08%

**Federal Direct Subsidized Loans:** Federal Direct Subsidized Loans are provided to undergraduate students based on their demonstrated financial need. Annual and aggregate limits apply to award amounts. Students do not have to pay the accrued interest on subsidized loans while they are enrolled at their institutions at least half-time. Interest on the loans begins to accrue as soon as borrowers receive the funds. However, a portion of the federal appropriation for subsidized loans is used to pay the accrued interest on the borrowers’ behalf. This provision in the subsidized loan program is commonly referred to as the “in-school interest subsidy” and was also available to needy graduate students prior to July 1, 2012.

Repayment begins following a six-month “grace period” after the student is no longer enrolled at least half-time. The interest subsidy extends through the end of the grace period. Interest is also subsidized for some borrowers enrolled in certain Income Driven Repayment plans and during authorized periods of deferment. **View Appendix A to see data on Federal Direct Subsidized Loans broken down by state.**

**Federal Direct Unsubsidized Loans:** The second type of Direct Loan, the Federal Direct Unsubsidized Loan, works similarly to the Federal Direct Subsidized Loan, but borrowers are responsible for all interest that accrues. Eligibility for unsubsidized loans is not based on students’ financial need. That is, students may receive these loans regardless of their incomes or assets and may use them to replace their Expected Family Contribution (EFC\*). Annual and aggregate limits apply to award amounts.

Students who receive federal direct unsubsidized loans do not have an in-school interest subsidy. These borrowers are charged the accrued interest on these loans while they are enrolled. Accrued interest may be paid during periods of enrollment or may be capitalized (added to the principal balance of the loans). Interest on these loans must also be paid or capitalized during any deferment periods. Regulatory changes effective July 1, 2023 eliminated all non-statutory instances of interest capitalization, including upon entering repayment.

Like Federal Direct Subsidized Loans, repayment begins following a six-month grace period after the student is no longer enrolled at least half-time. **View Appendix A to see data on Federal Direct Unsubsidized Loans broken down by state.**

*\*Effective with the 2024-25 aid year, the Student Aid Index (SAI), will replace the Expected Family Contribution (EFC). All 2024 profile data reflecting aid years prior to the 2024-25 aid year use the EFC.*

**Loan Limits.** The amount a student may borrow in a Federal Direct Subsidized Loan is the result of subtracting other aid and the EFC\* from the cost of attendance (COA), or the applicable annual loan limit, whichever is less. The annual maximum amount of loans students may borrow varies by academic grade level. As of July 1, 2007, the annual loan limits are as follows:

	<b>Dependent Students</b>	<b>Independent Students</b> (and students whose parents cannot obtain a PLUS Loan)
<b>First-Year Undergraduate Students</b>	\$5,500 <i>No more than \$3,500 can be subsidized.</i>	\$9,500 <i>No more than \$3,500 can be subsidized.</i>
<b>Second-Year Undergraduate Students</b>	\$6,500 <i>No more than \$4,500 can be subsidized.</i>	\$10,500 <i>No more than \$4,500 can be subsidized.</i>
<b>Third-Year and Beyond Undergraduate Students</b>	\$7,500 <i>No more than \$5,500 can be subsidized.</i>	\$12,500 <i>No more than \$5,500 can be subsidized.</i>
<b>Graduate/Professional Students</b>	N/A	\$20,500 <i>As of July 1, 2012, unsubsidized funds only.</i>

As of July 1, 2007, the aggregate loan limits are as follows:

	<b>Dependent Students</b>	<b>Independent Students</b> (and students whose parents cannot obtain a PLUS Loan)
<b>Undergraduate Students</b>	\$31,000 <i>No more than \$23,000 can be subsidized.</i>	\$57,500 <i>No more than \$23,000 can be subsidized.</i>
<b>Graduate Students</b>	N/A	\$138,500 <i>No more than \$65,500 can be subsidized. Undergraduate federal borrowing counts toward graduate aggregate limit.</i>

*\*Effective with the 2024-25 aid year, the Student Aid Index (SAI), will replace the Expected Family Contribution (EFC). All 2024 profile data reflecting aid years prior to the 2024-25 aid year use the EFC.*

**Federal Direct PLUS Loan:** The Federal Direct PLUS Loan program provides loans to parents of dependent undergraduates and to students who are in graduate or professional programs (who are all, by federal definition, independent of their parents). Parents must use the loan funds to pay their children’s higher education costs. To qualify for a Federal Direct PLUS Loan, borrowers may not have an adverse credit history (credit history is not considered for Federal Direct Subsidized and Unsubsidized Loans). Borrowers with adverse credit history can obtain a loan if they provide an endorser or appeal the credit decision with ED.

Federal Direct PLUS Loans are limited to the difference between the student’s cost of attendance (COA) and other anticipated financial aid; there are no absolute annual or aggregate limits. Unlike Federal Direct Subsidized and Unsubsidized Loans, there is no six-month grace period; Federal Direct PLUS Loans enter repayment once they are fully disbursed but may be eligible for a deferment. **View Appendix A to see data on Federal Direct PLUS Loans broken down by state.**

Table 6. Undergraduates Who Received Federal Direct Subsidized Loans by Family Income Level, Award Year 2019-20

Adjusted Gross Income (AGI)	Recipients (estimated)	Percent	Average Award
Less than \$20,000	1,162,620	26.1%	\$3,678.62
\$20,000 to \$39,999	1,187,051	26.6%	\$3,852.36
\$40,000 to \$59,999	713,874	16.0%	\$3,866.13
\$60,000 to \$79,999	474,812	10.6%	\$4,019.01
\$80,000 to \$99,999	343,177	7.7%	\$3,880.18
\$100,000 and over	578,224	13.0%	\$3,797.07
Total	4,459,758	100.0%	\$3,790.25

Table 7. Undergraduates Who Received Federal Direct Unsubsidized Loans by Family Income Level, Award Year 2019-20

Adjusted Gross Income (AGI)	Recipients (estimated)	Percent	Average Award
Less than \$20,000	3,556,075	22.9%	\$4,278.24
\$20,000 to \$39,999	3,560,275	22.9%	\$3,923.12
\$40,000 to \$59,999	2,111,299	13.6%	\$3,373.10
\$60,000 to \$79,999	1,495,711	9.6%	\$3,233.57
\$80,000 to \$99,999	1,126,950	7.2%	\$3,280.13
\$100,000 and over	3,702,010	23.8%	\$4,501.38
Total	15,552,320	100.0%	\$3,974.56

Table 8. Undergraduates Whose Parents Received Federal Direct PLUS Loans by Family Income Level, Award Year 2019-20

Adjusted Gross Income (AGI)	Recipients (estimated)	Percent	Average Award
Less than \$20,000	3,556,075	22.9%	\$12,875.07
\$20,000 to \$39,999	3,560,275	22.9%	\$12,161.67
\$40,000 to \$59,999	2,111,299	13.6%	\$14,044.46
\$60,000 to \$79,999	1,495,711	9.6%	\$14,992.63
\$80,000 to \$99,999	1,126,950	7.2%	\$16,095.28
\$100,000 and over	3,702,010	23.8%	\$19,951.00
Total	15,552,320	100.0%	\$16,272.91

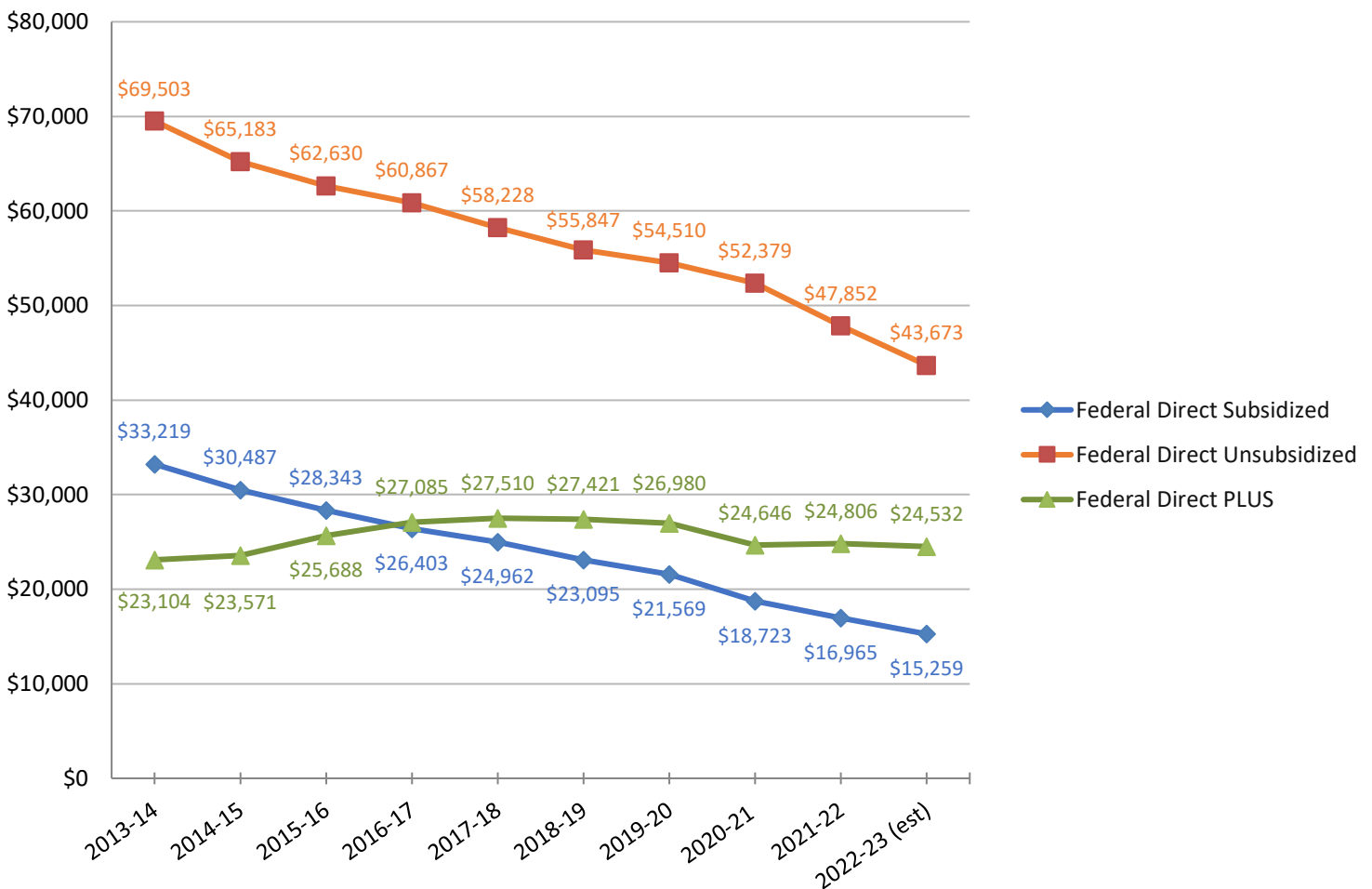
Table 9. Graduate/Professional Students Who Received Federal Direct PLUS Loans by Family Income Level, Award Year 2019-20

Adjusted Gross Income (AGI)	Recipients (estimated)	Percent	Average Award
Less than \$20,000	984,493	30.4%	\$24,180.21
\$20,000 to \$39,999	697,231	21.6%	\$25,130.90
\$40,000 to \$59,999	464,843	14.4%	\$25,654.68
\$60,000 to \$79,999	316,112	9.8%	\$25,842.00
\$80,000 to \$99,999	268,784	8.3%	\$26,488.65
\$100,000 and over	503,102	15.6%	\$30,512.32
Total	3,234,565	100.0%	\$25,058.71

Note: Estimates for number of recipients calculated by NASFAA. Some students did not report income and were excluded from the calculation.

Source for tables 6-9: U.S. Department of Education, National Center for Education Statistics, 2019-20 National Postsecondary Student Aid Study (NPSAS:20)

Figure 8. Federal Direct Student Loan Volume (Inflation-Adjusted Dollars, in millions), 2013-14 to 2022-23



Source: The College Board, Trends in Student Aid, 2023.

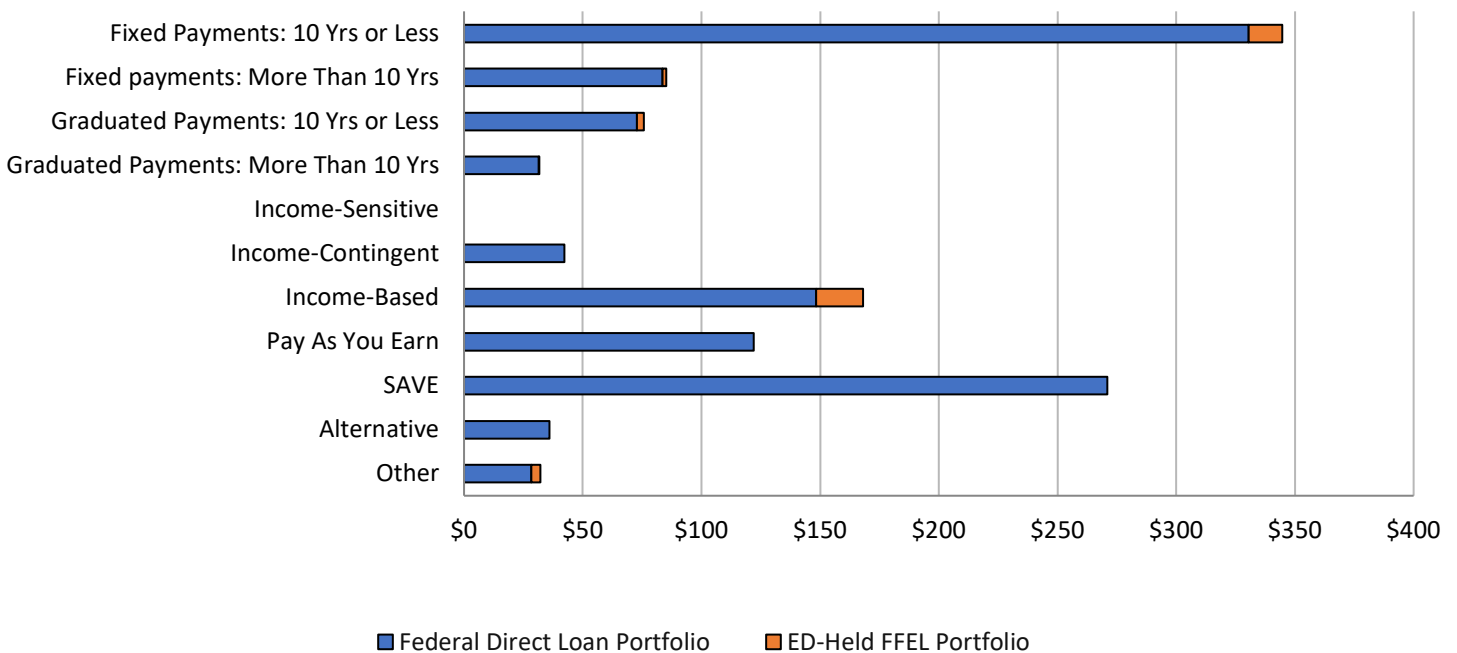
## Repayment, Loan, and Delinquency Status

**Repayment Status:** The federal government offers an array of repayment options for student borrowers. Borrowers, based on a variety of eligibility factors, can elect repayment plans with fixed or graduated payments up to 10 or 25 years, or choose to enroll in one of several income-driven repayment (IDR) plans. Income-contingent repayment (ICR), income-based repayment (IBR), income-sensitive repayment (ISR), Pay As You Earn (PAYE), and Saving on a Valuable Education (SAVE) are each IDR plans with differing eligibility, monthly payment, and income verification requirements.

As of December 2023, outstanding dollars from Federal Direct Loans and ED-held FFEL in repayment totaled approximately \$1.2 trillion. Outstanding dollars for the ED-held FFEL program totaled \$42.75 billion in 2023 — 46% assigned to IDR plans and 33% assigned to 10-year fixed payment plans. Outstanding dollars from the Federal Direct Loan portfolio, totaling \$1.16 trillion, were divided among a number of repayment plans. The 10-year fixed payment plan housed 28.3% of Federal Direct Loan dollars, followed by other plans holding 21.7% of outstanding dollars in repayment, and IDR plans holding 50% of outstanding dollars in repayment.

Executive actions from both the Trump and Biden administrations and provisions in the Coronavirus Aid, Relief, and Economic Security (CARES) Act in response to the COVID-19 pandemic resulted in borrowers in repayment being moved into a forbearance status, unless they opted out. During this time, the number of borrowers in repayment was drastically reduced and delinquencies were cured. Monthly payments resumed in October 2023. Thus, for the 2024 National Profile, NASFAA has updated Figures 9, 10, and 11, and the corresponding paragraphs, with the current data available from the Federal Student Aid Data Center to reflect this return to monthly payments. It is important to note that although the automatic forbearance ended and borrowers were placed back into repayment status in September 2023, borrowers did not begin making monthly payments until October 2023. As such, the data reflected in Figures 9, 10, and 11, which is as of Sept. 30, 2023, is for the period immediately before borrowers' first monthly payments become due.

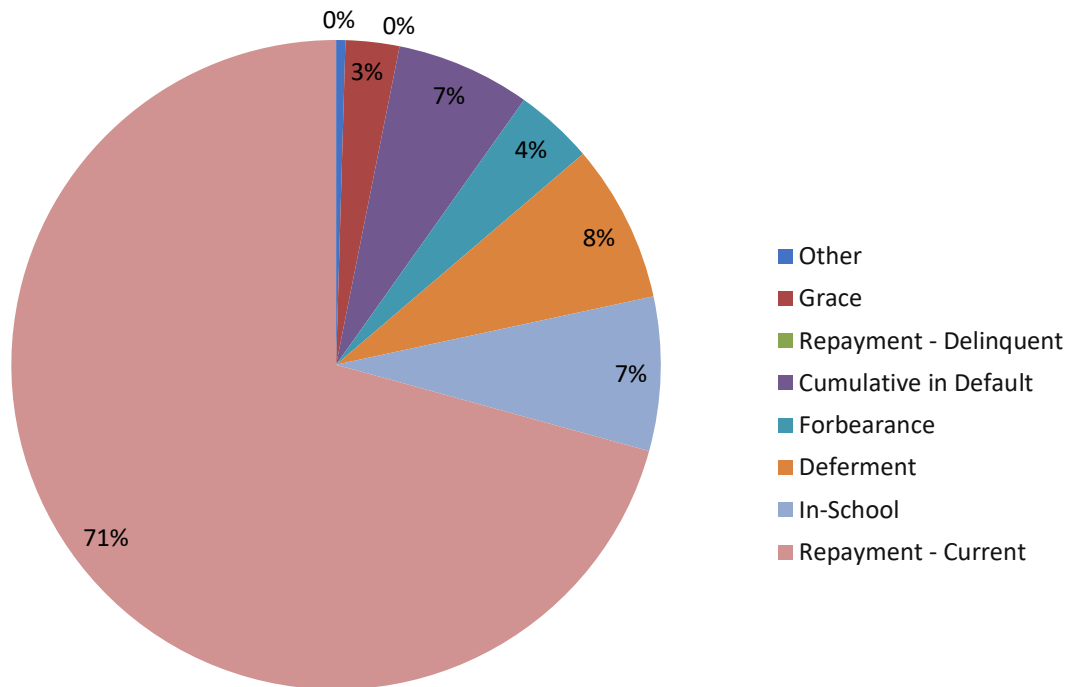
**Figure 9. Federal Direct Loan & ED-Held FFEL Dollars Outstanding (in billions), by Repayment Plan, as of Sept. 30, 2023**



Note: Includes outstanding principal and interest balances of Federal Direct Loan borrowers in Repayment, Deferment, and Forbearance; excludes borrowers in Default, In-School, and Grace. Data is run at the end of each quarter listed by federal fiscal year, in this case FY23 Q4. This figure reflects repayment data for only the Federal Direct Loan and ED-held FFEL portfolios. Data on repayment plans was not available for the FFEL program.

Source: National Student Loan Data System (NSLDS), available from FSA Data Center (<https://studentaid.gov/data-center/student/portfolio>).

Figure 10. Percentage of Federal Direct Loan Dollars Outstanding by Loan Status, as of Sept. 30, 2023

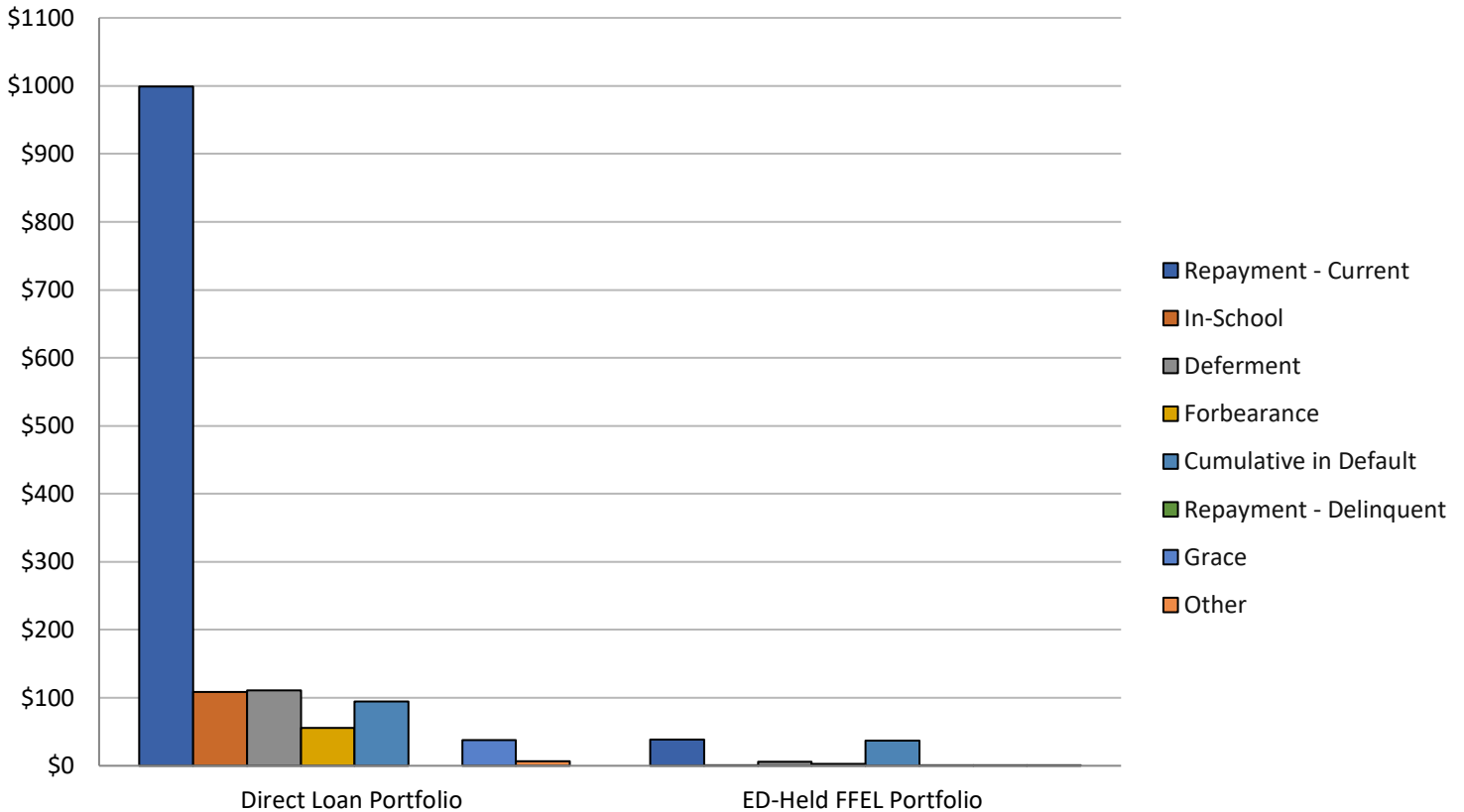


Note: Includes outstanding principal and interest balances. Data is run at the end of each quarter listed by federal fiscal year, in this case FY23 Q4. Numbers for FSA tables on loan status and delinquency status may differ due to rounding and the timing of data runs. Calculation of repayment current and delinquent by NASFAA.

Source: National Student Loan Data System (NSLDS), available from FSA Data Center (<https://studentaid.gov/data-center/student/portfolio>).

**Loan Status:** In 2023, \$999.4 billion (70.71%) of the total outstanding Federal Direct Loan dollars were in current repayment. The remaining \$413.9 billion (29.29%) fell into several non-current repayment categories. Of the total non-current outstanding debt, 26.17% belonged to students still enrolled in school and 9.13% was held by students in a six-month grace period. Loans in forbearance and deferment accounted for 13.41% and 26.87%, respectively, of uncollected dollars, and 22.86% of the dollars were in default. This data reflects the resumption of monthly payments as of Oct. 1, 2023.

Figure 11. Federal Direct Loan & ED-Held FFEL Dollars Outstanding (in billions), by Loan Status, as of Sept. 30, 2023



Note: Includes outstanding principal and interest balances. Data is run at the end of each quarter listed by federal fiscal year, in this case FY23 Q4. Numbers for FSA tables on loan status and delinquency status may differ due to rounding and the timing of data runs. Calculation of repayment current and delinquent by NASFAA.

Note: Figure 11 presents the state of Federal Direct Loan and Federal Family Education Loan (FFEL) Dollars Outstanding (by loan status) immediately before the Oct. 1 resumption of monthly payments.

Source: *National Student Loan Data System (NSLDS)*, available from FSA Data Center (<https://studentaid.ed.gov/sa/about/data-center/student/portfolio>).

**Delinquency Status:** A delinquency period for federal student loan borrowers begins the day after they miss a payment. The COVID-19 payment pause drastically reduced the number of borrowers in delinquency status. Following the restart of loan repayment on Oct. 1, 2023, the Department of Education instituted a 12-month on-ramp period through Sept. 30, 2024. In this time, eligible borrowers will not be reported as delinquent for a missed payment and their loans will not go into default.



## Public Service Loan Forgiveness

**Program Description.** Public Service Loan Forgiveness (PSLF) is a federal program that allows Federal Direct Loan borrowers who are working full-time in the public service sector to have the remainder of their Federal Direct Loan balances forgiven after making 120 qualifying payments. The program was created in 2007 under the College Cost Reduction and Access Act as a way to provide relief to professionals working in government, state, local, and not-for-profit sector jobs.

Beyond having a qualifying workplace, borrowers must also be enrolled in a qualified repayment plan and complete an Employment Certification Form (ECF) to be eligible for forgiveness. As only loan payments made after Oct. 1, 2007 qualify toward the 120 required payments, the first PSLF recipients received forgiveness in 2017. Submission of the ECF on an annual basis is voluntary, and the Department of Education (ED) tracks submission of ECFs as an indicator of interest in, and potential eligibility for, PSLF. Submission of one or more ECFs does not necessarily indicate that a borrower will ultimately receive forgiveness. As of June 30, 2023, there were 19,218 PSLF applications approved for loan discharge.<sup>1</sup> In March 2018, the Consolidated Appropriations Act of 2018 provided limited, additional conditions under which borrowers may be eligible for PSLF if loan payments were made under a non-qualifying repayment plan. This reconsideration is called Temporary Expanded Public Service Loan Forgiveness (TEPSLF). As of June 30, 2023, there were 6,520 applications for TEPSLF approved for loan discharge.

In response to the COVID-19 pandemic, in October 2021, the Department of Education announced a change to the PSLF rules for a limited time, allowing borrowers to receive credit for past periods of repayment that under the original rules would not have qualified as eligible payments. As long as the borrower was employed at a qualifying employer, any prior qualifying payment, regardless of the repayment plan or whether the payment was made in full or on time, counted as a qualifying payment. At its creation, ED estimated that the waiver would help over 550,000 borrowers gain an average of 23 additional payments. Included in that number are an estimated 22,000 borrowers who were immediately eligible for forgiveness.<sup>2</sup> As of June 30, 2023, a total of 647,339 borrowers had their loans discharged after waiver processing. The eligibility period to take advantage of the waiver ran through Oct. 31, 2022.

In April 2022, the Department of Education announced a one-time account adjustment to count certain forbearances toward income-driven repayment (IDR). This initiative, along with other permanent fixes to how federal student loan servicers count borrower payments, will allow more payments to count toward the 120 qualifying payments necessary for PSLF and is likely to result in more PSLF recipients.

Regulatory changes to the PSLF program to improve the application process, expand what counts as an eligible monthly payment, and expand the definition of “full-time” employment became effective July 1, 2023.

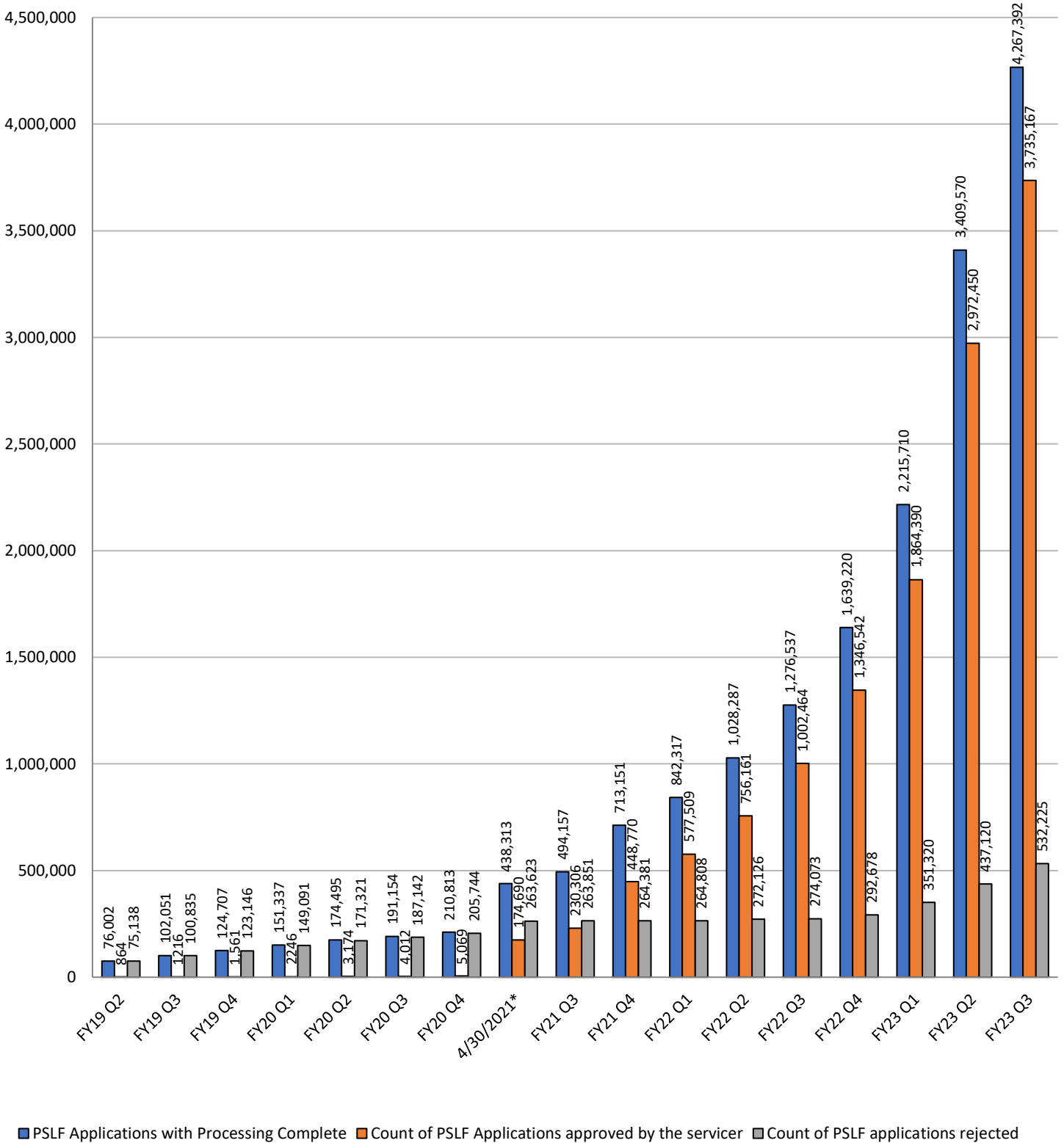
As of June 30, 2023, a total of 670,264 borrowers have had their PSLF, TEPSLF, and waiver discharges processed.

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<sup>1</sup> Federal Student Aid Data Center March 31, 2023 PSLF Report <https://studentaid.gov/data-center/student/loan-forgiveness/pslf-data>

<sup>2</sup> <https://www.ed.gov/news/press-releases/fact-sheet-public-service-loan-forgiveness-pslf-program-overhaul>

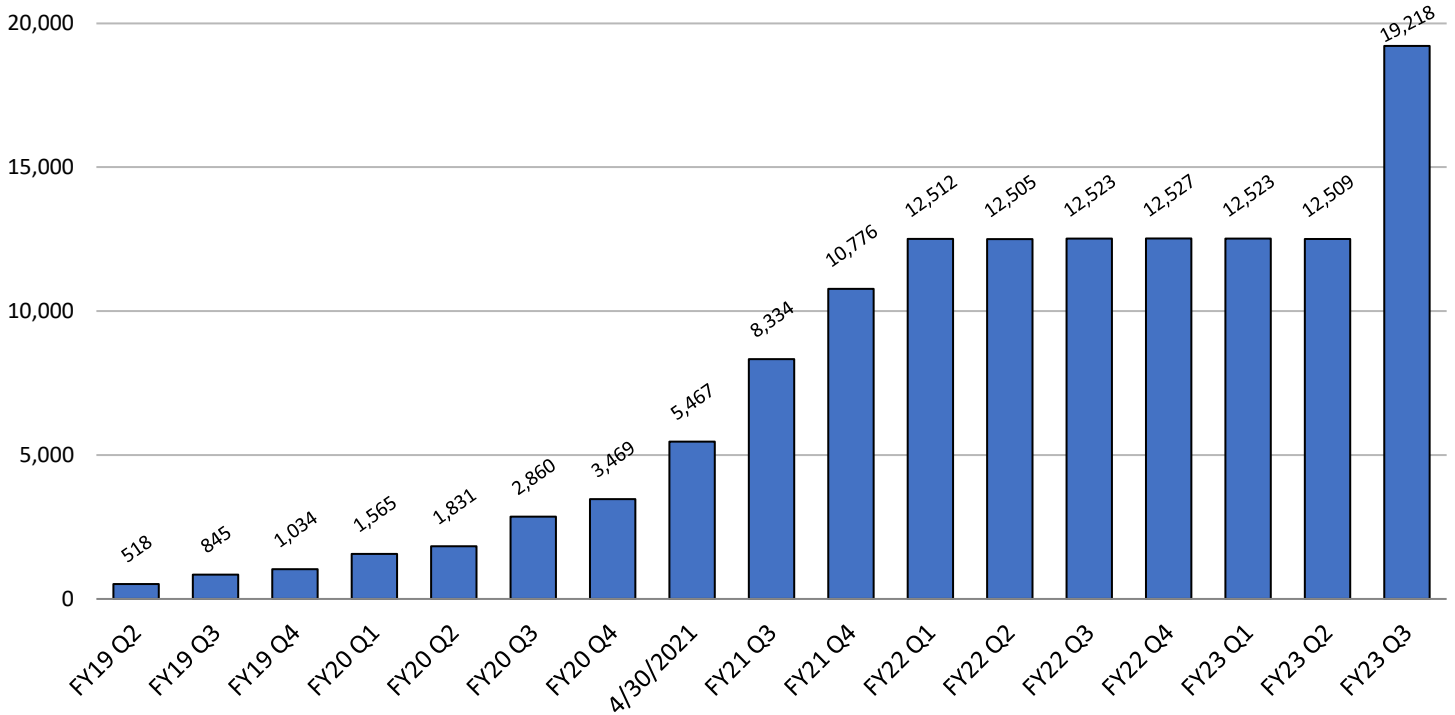
Figure 12: Public Service Loan Applications, Quarterly (with exceptions noted), FY 2019-23



\*The Department of Education released reports at least quarterly from 2018-20. A report was not released for FY21 Q1 or FY21 Q2, so NASFAA used the first available data point at the time, which was April 2021.

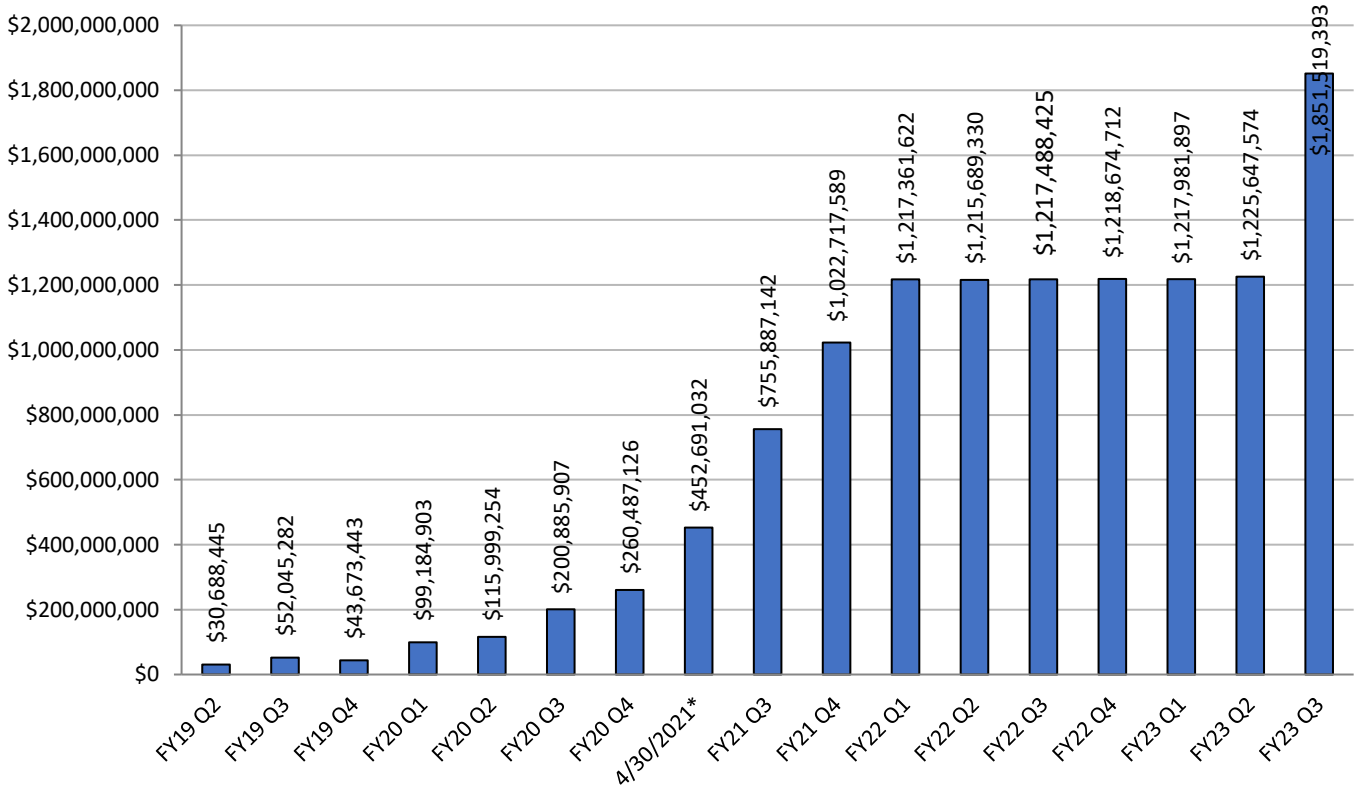
Source for Figures 12 - 14b: U.S. Department of Education, Public Service Loan Forgiveness Report, 2018 - 2023.

Figure 13. Unique Borrowers with PSLF Discharges Processed, Quarterly (with exceptions noted), FY 2019-23



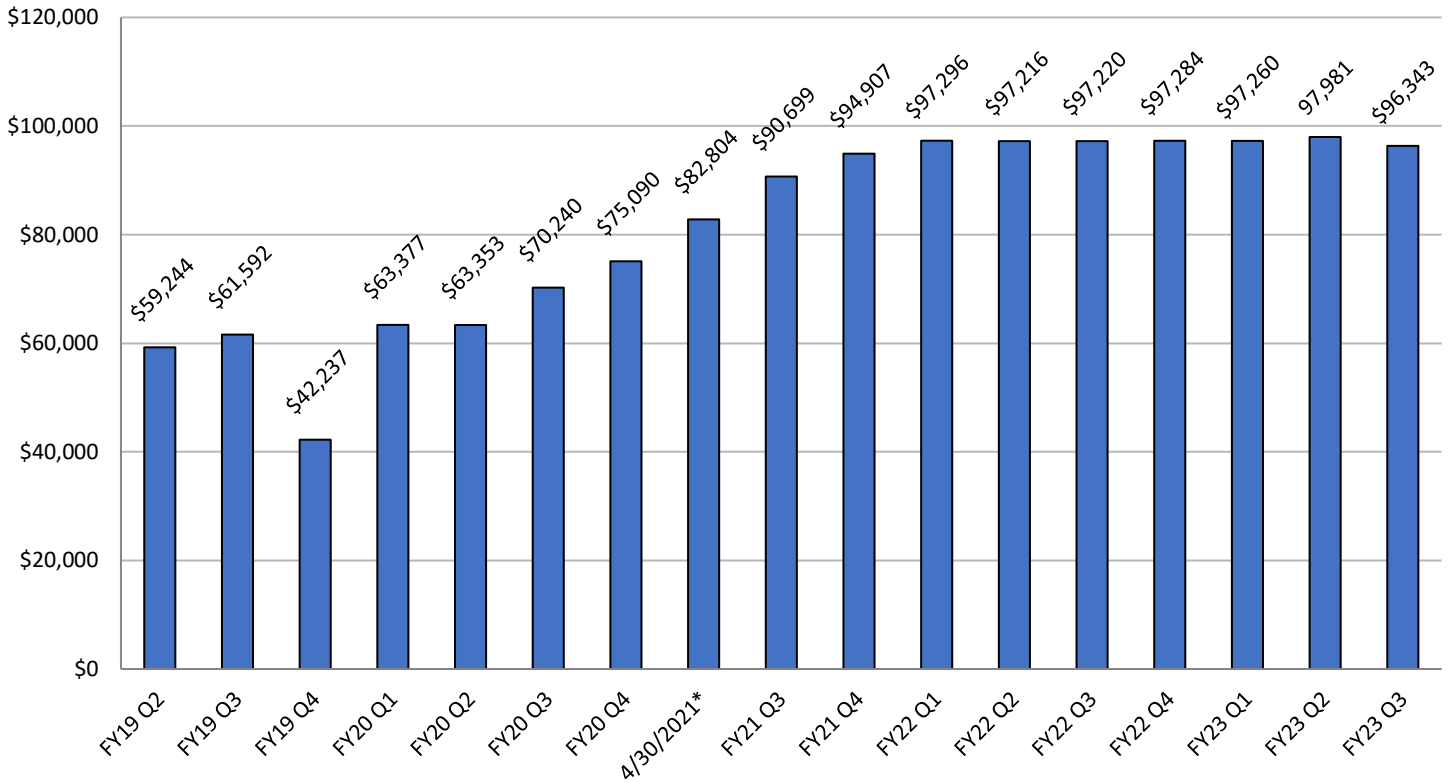
Note: These graphs reflect only PSLF discharges, not including TEPSLF or waiver

Figure 14a. Total Balance Discharged for Borrowers With Approved PSLF Application, Quarterly (with exceptions noted), FY 2019-23



Note: These graphs reflect only PSLF discharges, not including TEPSLF or waiver

Figure 14b. Average Balance Discharged for Borrowers with Approved PSLF Application, Quarterly (with exceptions noted), FY 2019-23



Note: These graphs reflect only PSLF discharges, not including TEPSLF or waiver

\*The Department of Education released reports at least quarterly from 2018-23. A report was not released for FY21 Q1 or FY21 Q2, so NASFAA used the first available data point at the time, which was April 2021.

Source for Figures 12 - 14b: U.S. Department of Education, Public Service Loan Forgiveness Report, 2018 - 2023.

## Federal Need Analysis

**Description:** The application for all Title IV programs is the Free Application for Federal Student Aid (FAFSA), which collects demographic, income, and asset information from aid applicants and their families. The U.S. Department of Education (ED) uses this information to confirm students' general eligibility to receive Title IV funds and calculates the Student Aid Index (SAI), which replaced the expected family contribution (EFC) as of the 2024-25 aid year, that schools use as one of several factors to determine the amount of financial aid a student may receive during a given award year.

The SAI is determined by a need analysis formula established under Title IV of the Higher Education Act (HEA) called the Federal Methodology (FM). Parents of dependent students are assumed to have a role in financing their child's education and, as such, are expected to provide financial information on the FAFSA.

**Use:** Financial aid administrators use the SAI and other information to determine which students will receive federal student aid authorized under Title IV of the HEA and the amounts they will receive from these programs. Students are eligible to receive need-based federal student aid (Federal Pell Grant, FWS, FSEOG, and Federal Direct Subsidized Loans) only if the sum of the SAI and other estimated financial assistance is less than the total cost of attendance (COA). The COA includes tuition and fees, estimated living expenses, books and educational supplies, transportation to and from the postsecondary institution, and other miscellaneous expenses.

**FAFSA Simplification:** The FAFSA Simplification Act, signed into law in December 2020 as part of the Consolidated Appropriations Act of 2021, established changes to the HEA, the FAFSA, and the federal need analysis that became fully effective in the 2024-25 aid year. The bill included changes to the Federal Methodology, as well as the creation of the Student Aid Index (SAI), which replaced the EFC. The name change is intended to better reflect the use of that figure as an aid eligibility index rather than an expectation of what a family will contribute to postsecondary expenses. It also codified in statute the use of prior-prior year (PPY) income data on the FAFSA, which had been done in practice via executive order since 2016.

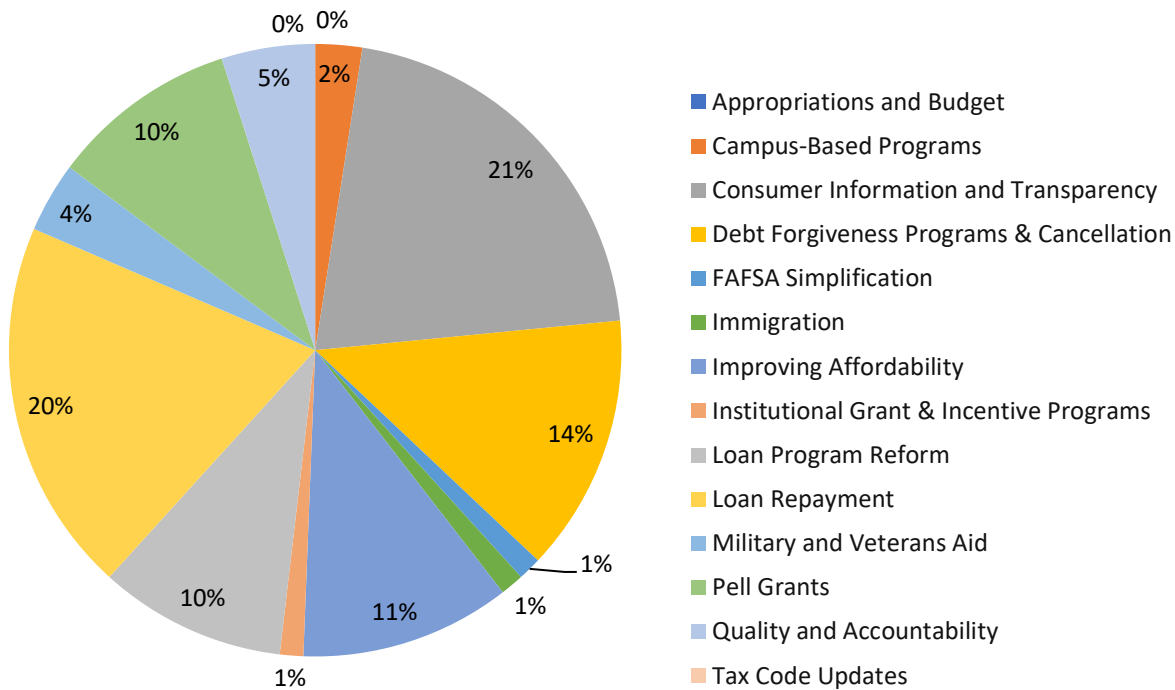
Major changes to the Federal Methodology include the removal of state and other tax income exclusions and the family farm and small business asset exclusion, while adding back into the total income foreign income that was exempt from U.S. tax or for which a foreign tax credit was received. Additionally, the SAI calculation no longer provides favorable treatment to families with multiple household members contemporaneously enrolled in college. The SAI is used to determine the type and amount of federal student aid authorized under Title IV of the HEA that students will receive, excluding determinations of minimum and maximum Pell Grant eligibility. Automatic maximum and automatic minimum Pell Grant eligibility is now determined by the number of parents in the household as well as family income as a percentage of the federal poverty line. Independent student tax nonfilers, dependent children of nonfiling parent(s), and students under age 33 whose parent(s) died serving in the armed forces or in the line of duty as a public safety officer will also be eligible to receive the maximum Pell Grant.

The SAI allows for further differentiation among the neediest students by reporting numbers as low as -1500, whereas the EFC calculation could not go below zero. This change will allow schools to better target need-based aid. Other significant changes to the FAFSA include the removal of Selective Service and drug conviction questions, which were implemented during the 2021-22 award year. Finally, the FAFSA Simplification Act restored Pell Grant eligibility to incarcerated students enrolled in eligible Prison Education Programs as of July 1, 2023.

## Legislation Introduced in Congress in 2023 on Student Aid Topics

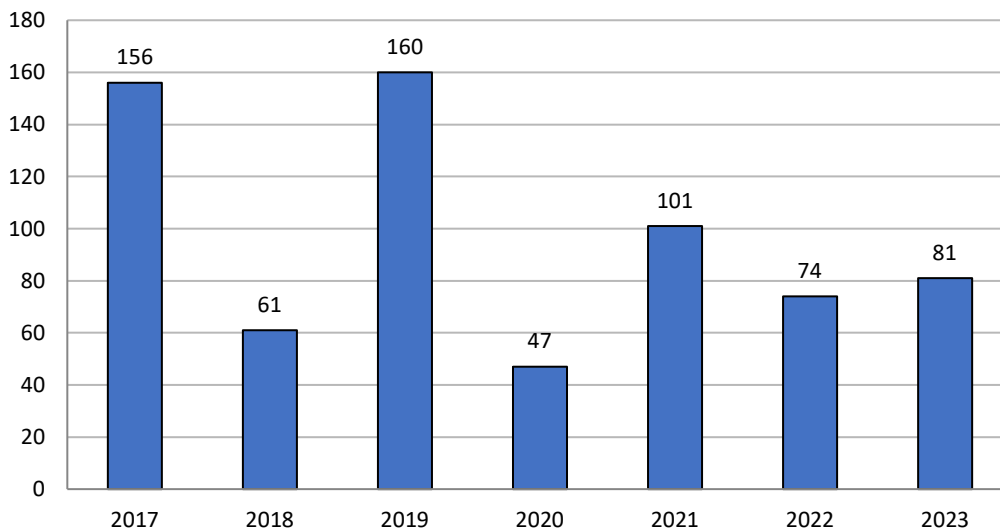
In 2023, members of the U.S. House of Representatives and the U.S. Senate introduced a combined total of 81 bills on student aid-related issues. When categorized by topic, Congress demonstrated a commitment to addressing consumer information and transparency, loan repayment, and debt forgiveness programs and cancellation (21%, 20%, and 14% of legislation introduced on student aid topics addressed these issues, respectively). Figure 15a presents the number of student-aid related bills introduced in 2023.

Figure 15a. Bills Introduced in 2023, by Topic



Source: NASFAA Legislative Tracker

Figure 15b. Total Bills Introduced in Previous Six Years



Source: NASFAA Legislative Tracker

## Fiscal Year 2024 Budget and Appropriations Update

Each year, Congress must go through the process of determining funding levels for most of the federal student aid programs. Fiscal year (FY) 2024 funding, which impacts the 2024-25 award year, was finalized by Congress and signed into law by President Joe Biden in March 2024. The measure included level funding for the maximum Pell Grant, FSEOG program, and FWS program.

Funding for the Pell Grant program comes from both discretionary (subject to the annual appropriations process) and mandatory (set in law) funding streams. Through the appropriations process, Congress has agreed to fund the discretionary base maximum Pell Grant award at the \$4,860 level since 2009-10. However, because the mandatory annual inflation adjustment add-on to the maximum award expired after FY 2017, which would have left the add-on at \$1,060 (resulting in a \$5,920 total maximum grant), Congress opted to increase the discretionary base maximum to \$5,285 in FY 2020; \$5,435 in FY 2021; \$5,835 in FY 2022; and \$6,335 in both FY 2023 and FY 2024. Combined with the \$1,060 mandatory add-on, the total maximum Pell Grant award for FY 2024, remains at \$7,395, the same as FY 2023.

The chart below highlights Pell Grant funding over the last three fiscal years.

Program	FY 2022	FY 2023	FY 2024	Change from FY 2023 to FY 2024
Pell Grant (discretionary)	\$22,475,352,000	\$22,475,352,000	\$22,475,352,000	\$0
Pell Grant maximum award	\$6,895	\$7,395	\$7,395	\$0

In the final FY 2024 agreement, neither the FSEOG program nor the FWS program received increases over FY 2023 funding levels. The funding for FSEOG and FWS are highlighted in the following chart.

Program	FY 2022	FY 2023	FY 2024	Change from FY 2023 to FY 2024
FSEOG	\$895,000,000	\$910,000,000	\$910,000,000	\$0
FWS	\$1,210,000,000	1,230,000,000	\$1,230,000,000	\$0

The final FY 2024 spending package includes additional important provisions related to higher education funding. The bill allocated \$184 million for the Fund for the Improvement of Postsecondary Education (FIPSE), the same funding level as FY 2023. The bill kept the funding level for student aid administration at \$2.03 billion, less than the \$2.7 billion requested by the administration. The administration's initial request was a \$620 million increase over the enacted FY 2023 level to allow "FSA to continue to operate the student aid programs, implement critical improvements to student loan servicing, continue to modernize its digital infrastructure, and ensure successful administration of the financial aid programs through a simplified and streamlined application process for students and borrowers." The bill included an additional \$3.5 billion for higher education programs, including \$1.02 billion for minority-serving institutions (MSIs) and historically Black colleges and universities (HBCUs), \$1.19 billion for federal TRIO programs, and \$70 million for teacher quality partnerships.

The bill also included language about ED's Next Gen initiative, which was originally slated to begin in December 2023 when existing servicing contracts expired. This initiative aims to provide student loan borrowers with high-quality customer service and will also put into place new accountability and transparency metrics.<sup>3</sup>

<sup>3</sup> U.S. Department of Education, Fiscal Year 2024 Budget Summary.

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## Conclusion

Since enactment of the Higher Education Act (HEA) in 1965, federal financial aid has been a central and critical pathway for college access. Given the importance of federal financial aid, this report serves as a resource describing six prominent Title IV programs. While these financial aid programs may have changed over time, the general principles of each program have stayed the same.

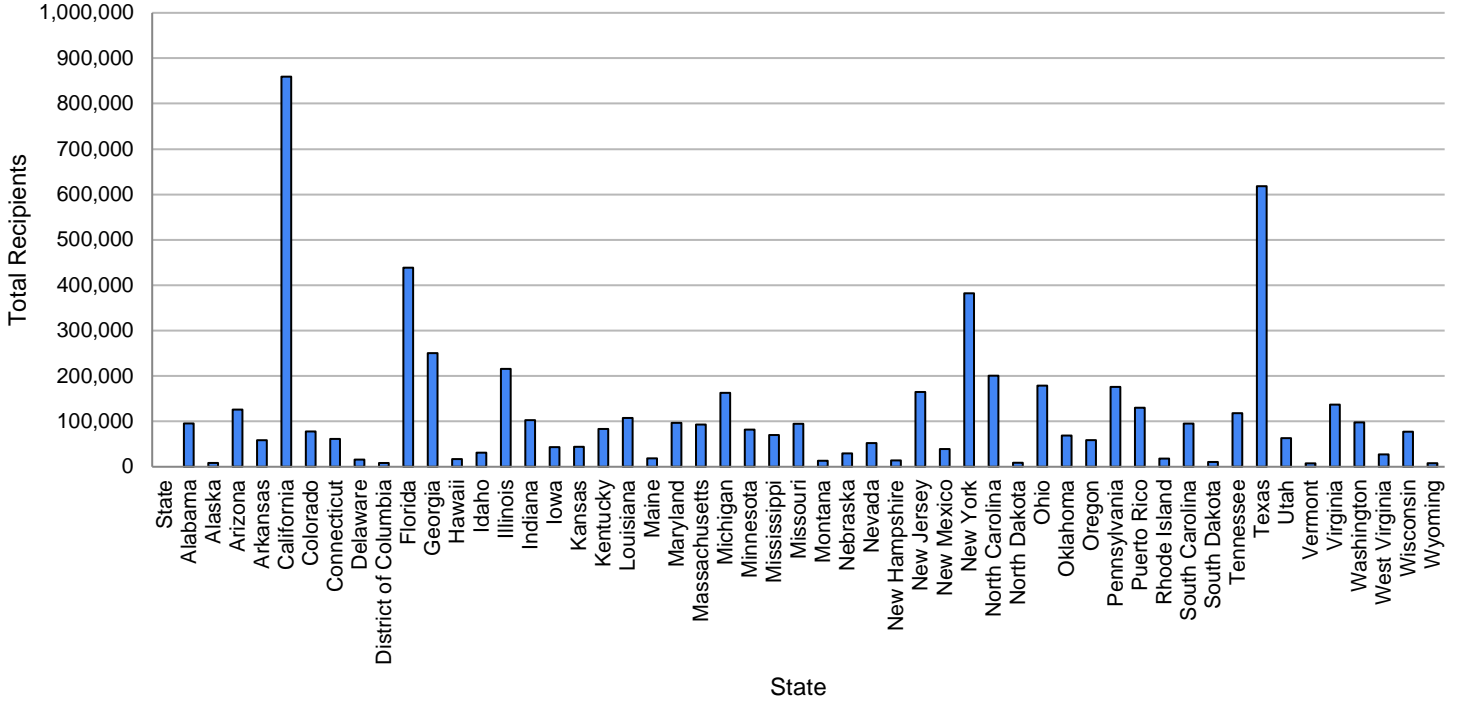
NASFAA hopes the information in this booklet is helpful to you. You may find a more detailed version of this document online at [www.nasfaa.org](http://www.nasfaa.org). We also have produced other publications that help students and families find ways to pay for postsecondary education. Should you need any additional information, please contact us at [policy@nasfaa.org](mailto:policy@nasfaa.org) or 202-785-0453.



# Appendix: Federal Student Aid Program Data by State

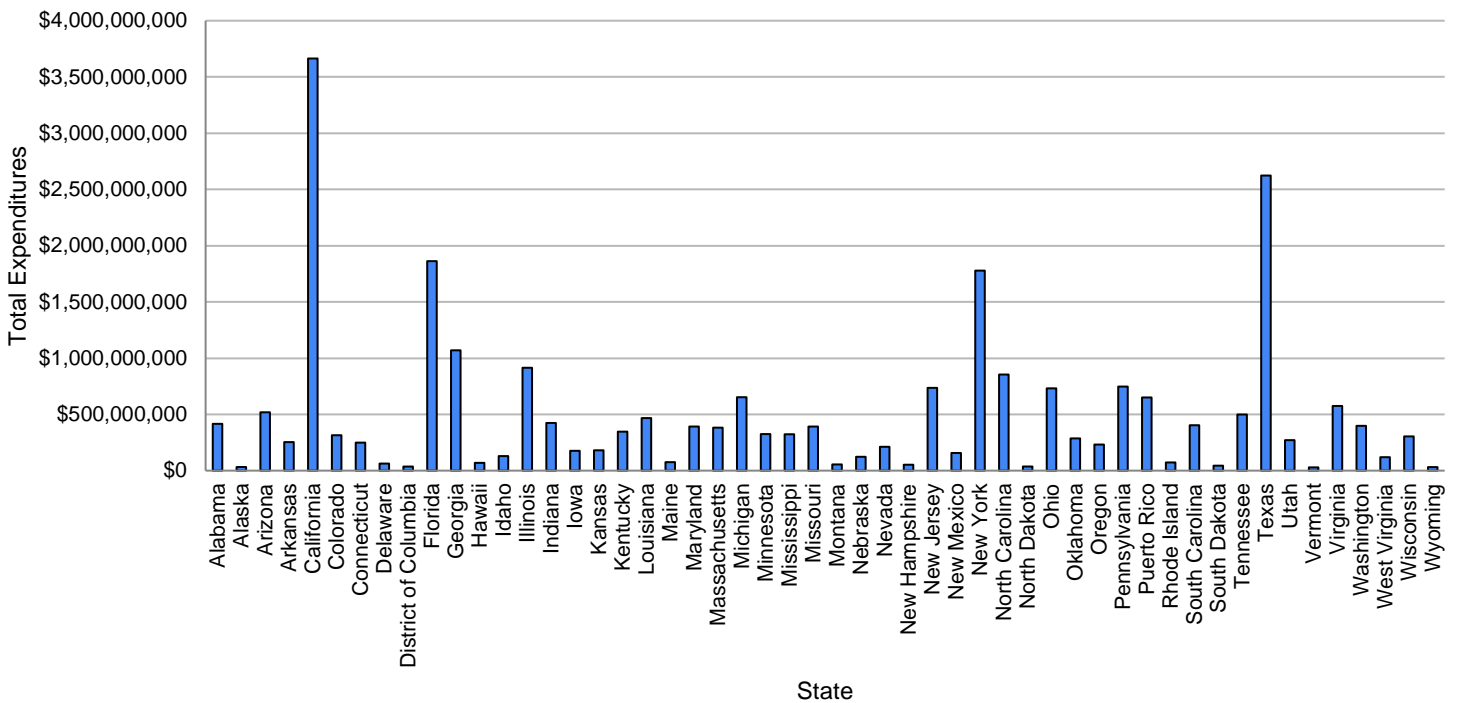
This appendix contains data on the Federal Student Aid programs disaggregated by state, where available. Please refer to the main text for additional information and national data on these programs.

## Pell Grant Recipients by State, Award Year 2021-22



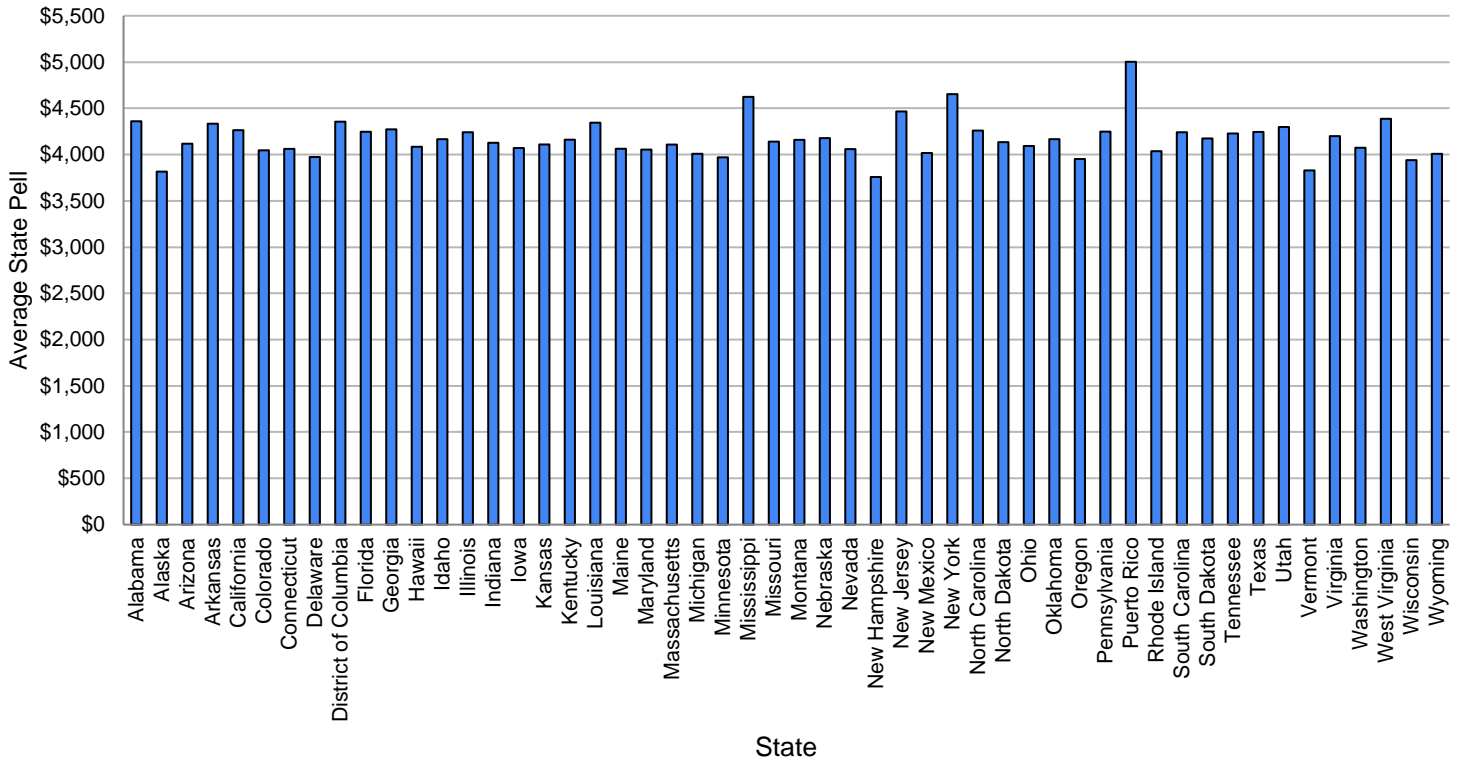
Source: U.S. Department of Education, Federal Pell Grant Program End-of-year Report, 2021-22.

## Pell Grant Expenditures by State (in millions), Award Year 2021-22



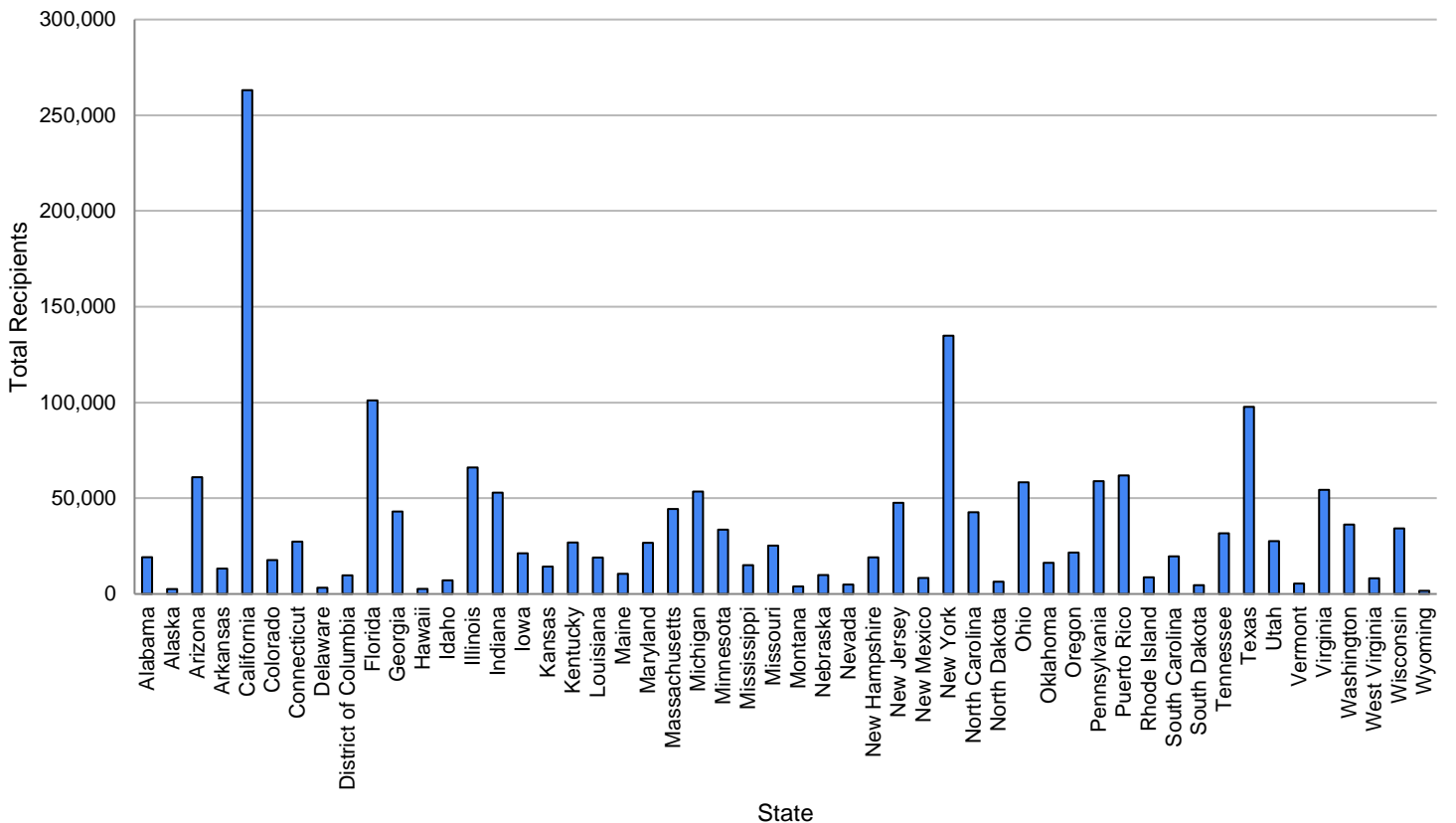
Source: U.S. Department of Education, Federal Pell Grant Program End-of-year Report, 2021-22.

## Average Pell Grant Amount by State, Award Year 2021-22



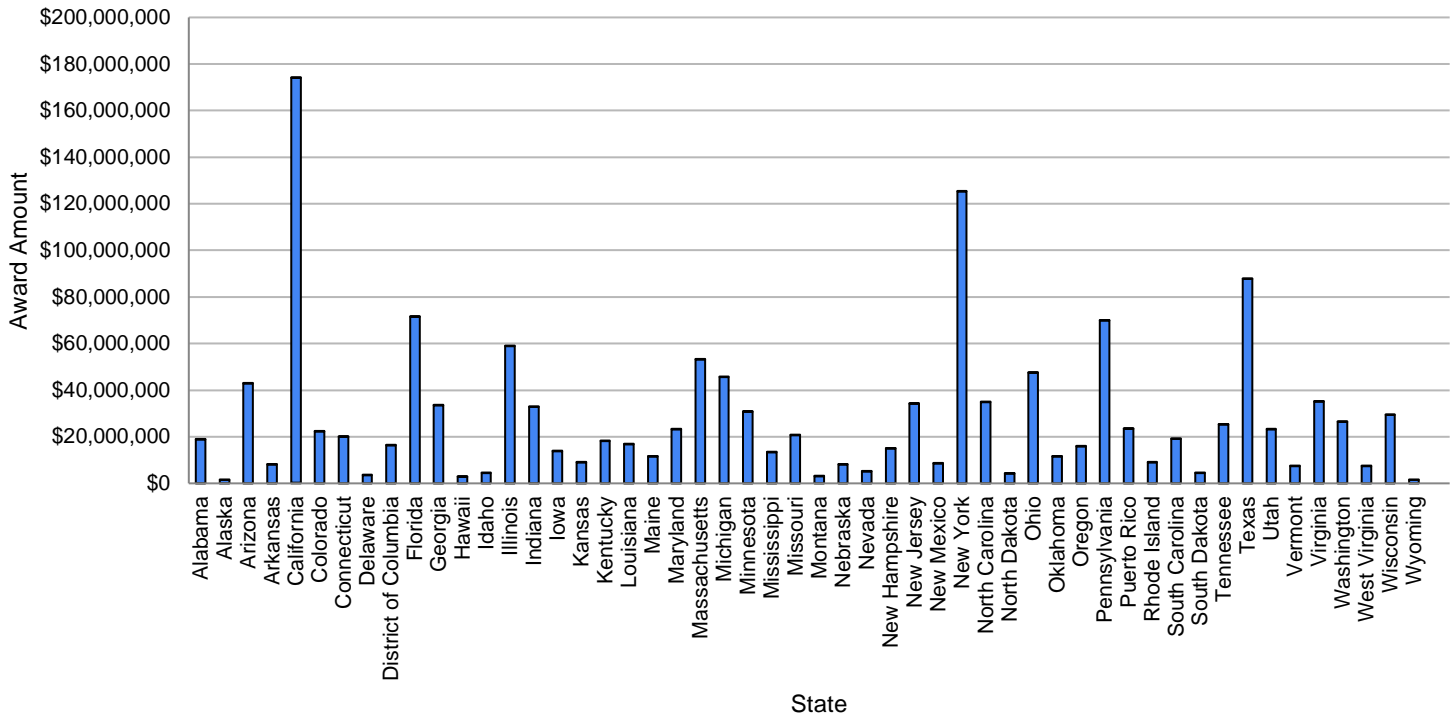
Source: U.S. Department of Education, Federal Pell Grant Program End-of-year Report, 2021-22.

## Federal Supplemental Educational Opportunity Grant Recipients by State, Award Year 2021-22



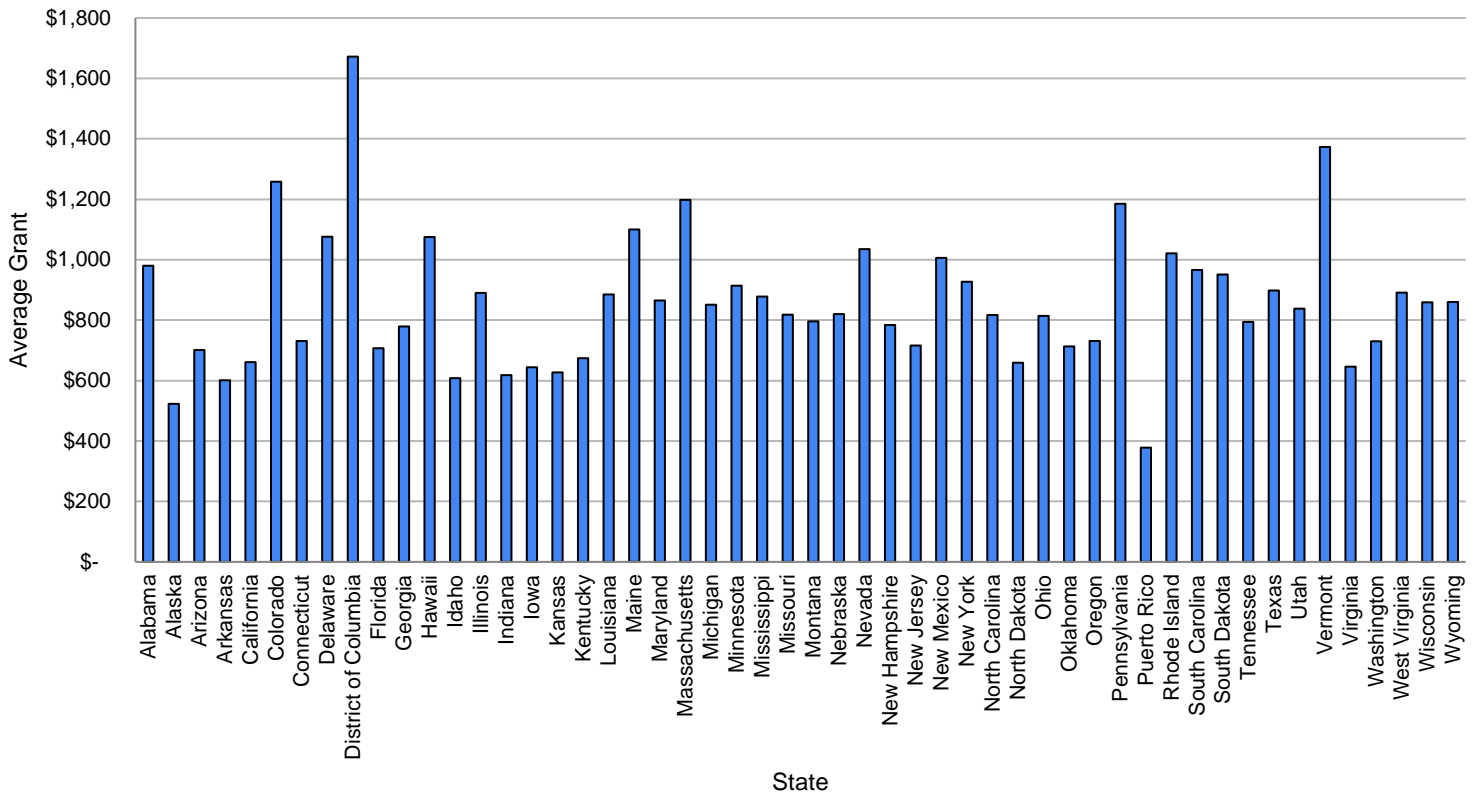
Source: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2023.

## Federal Supplemental Educational Opportunity Grant Volume by State (in millions), Award Year 2021-22



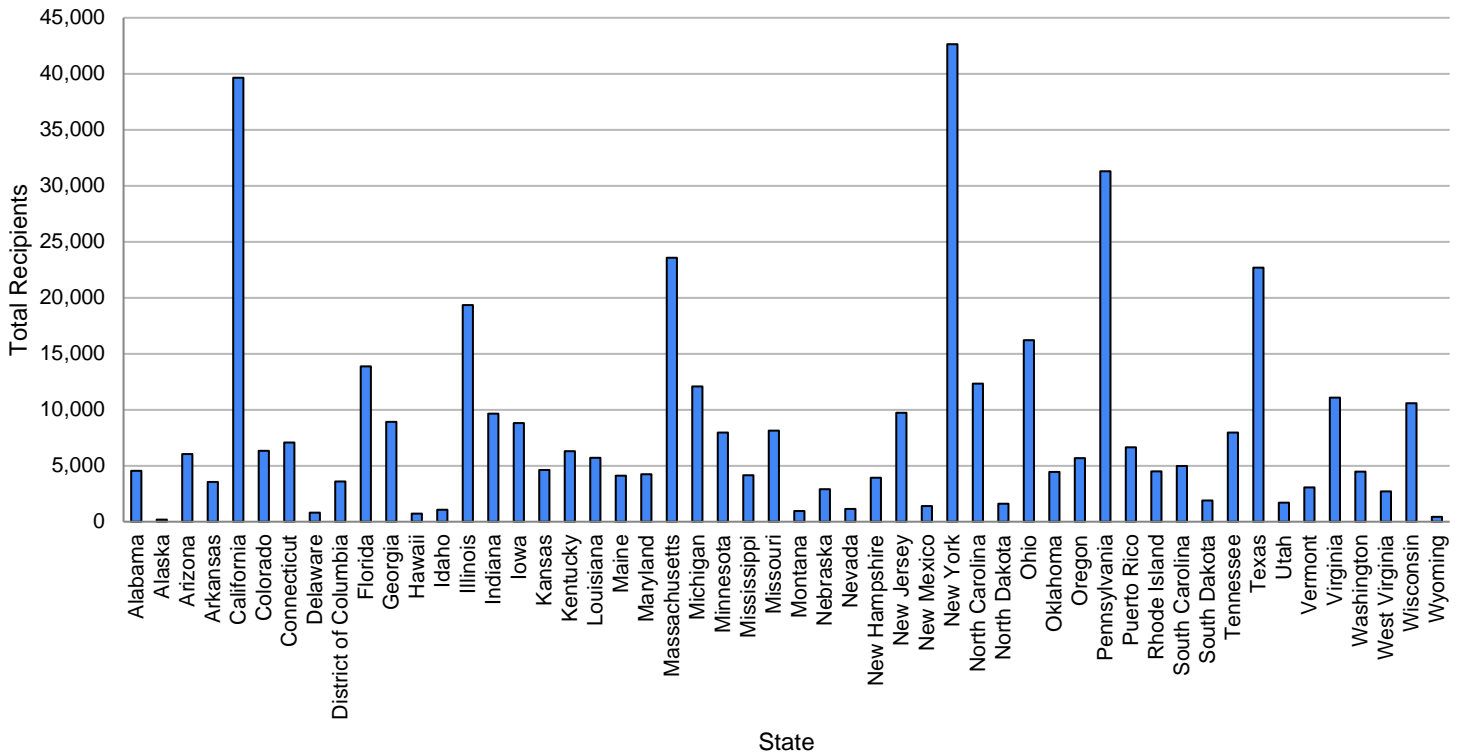
Source: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2023.

## Average Federal Supplemental Educational Opportunity Grant Amount by State, Award Year 2021-22



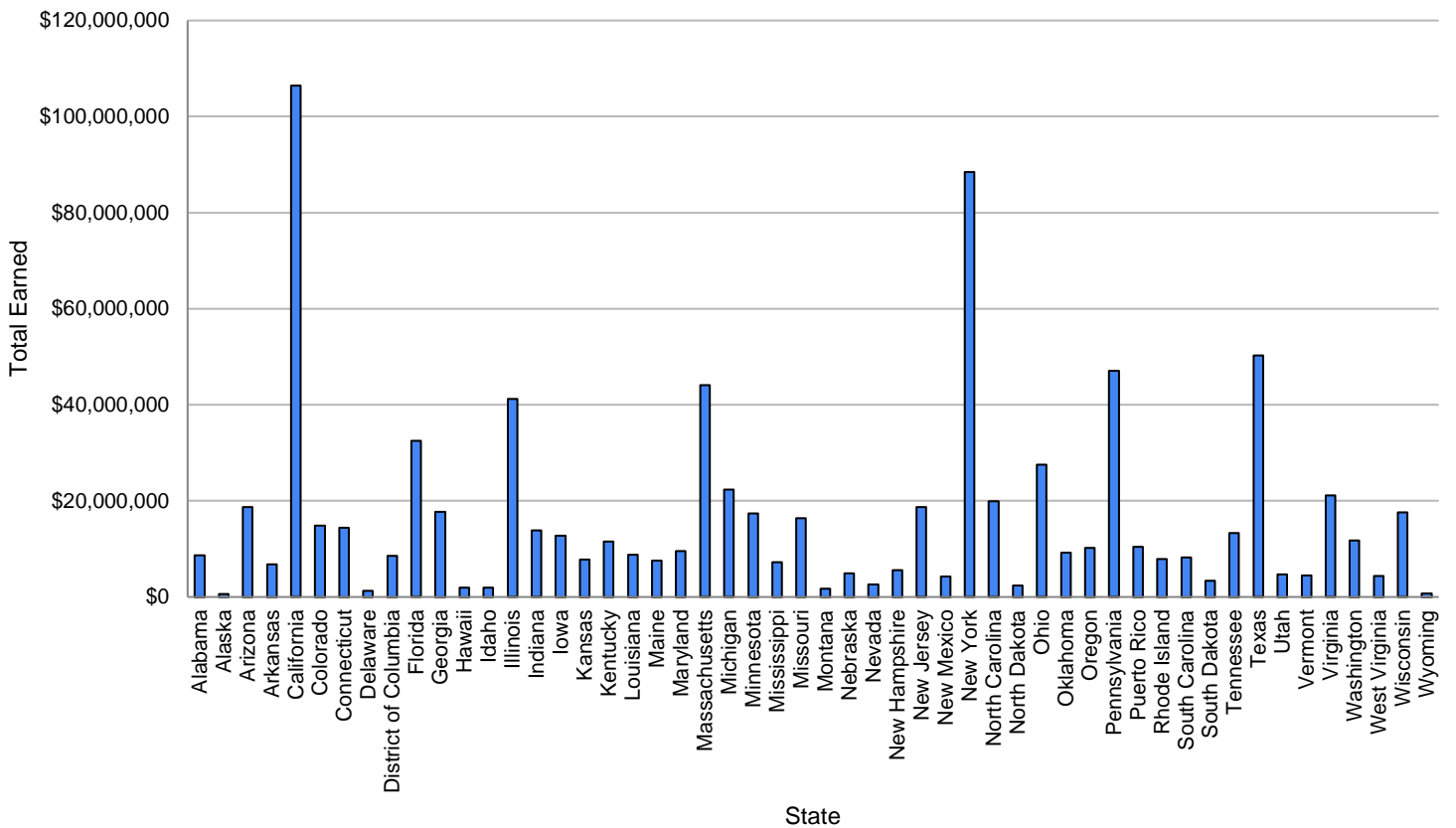
Source: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2023.

## Federal Work-Study Recipients by State, Award Year 2021-22



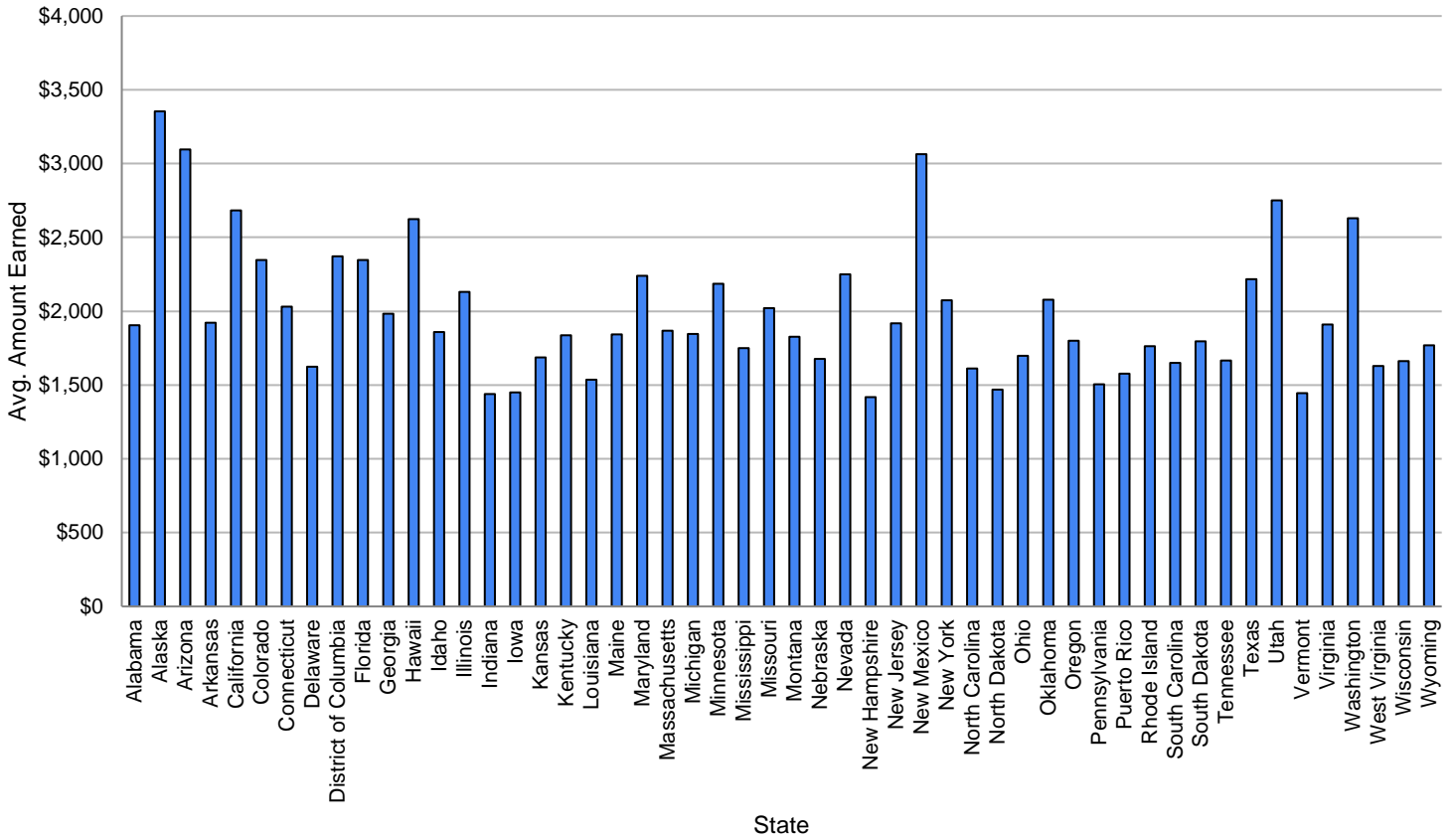
Source: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2023.

## Federal Work-Study Volume by State (in millions), Award Year 2021-22



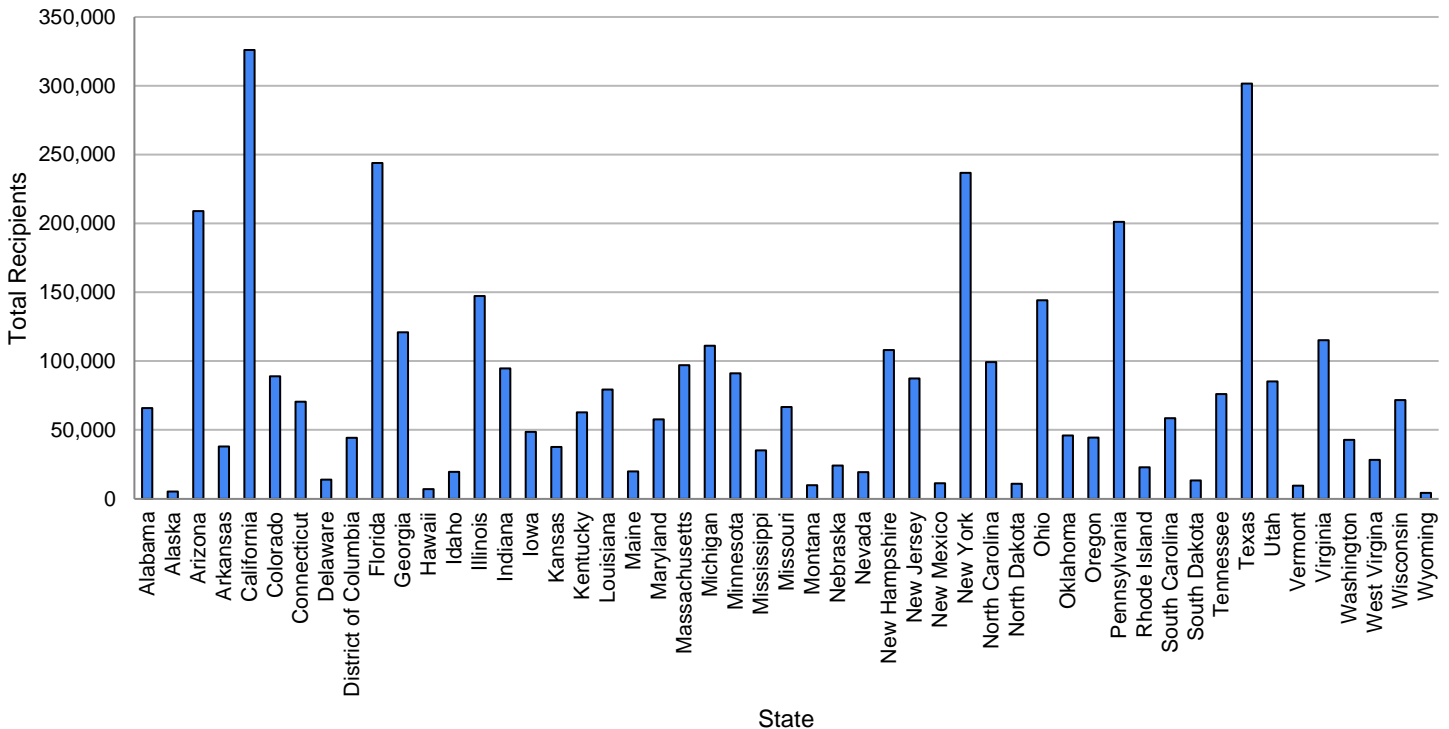
Source: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2023.

## Average Federal Work-Study Amount by State, Award Year 2021-22



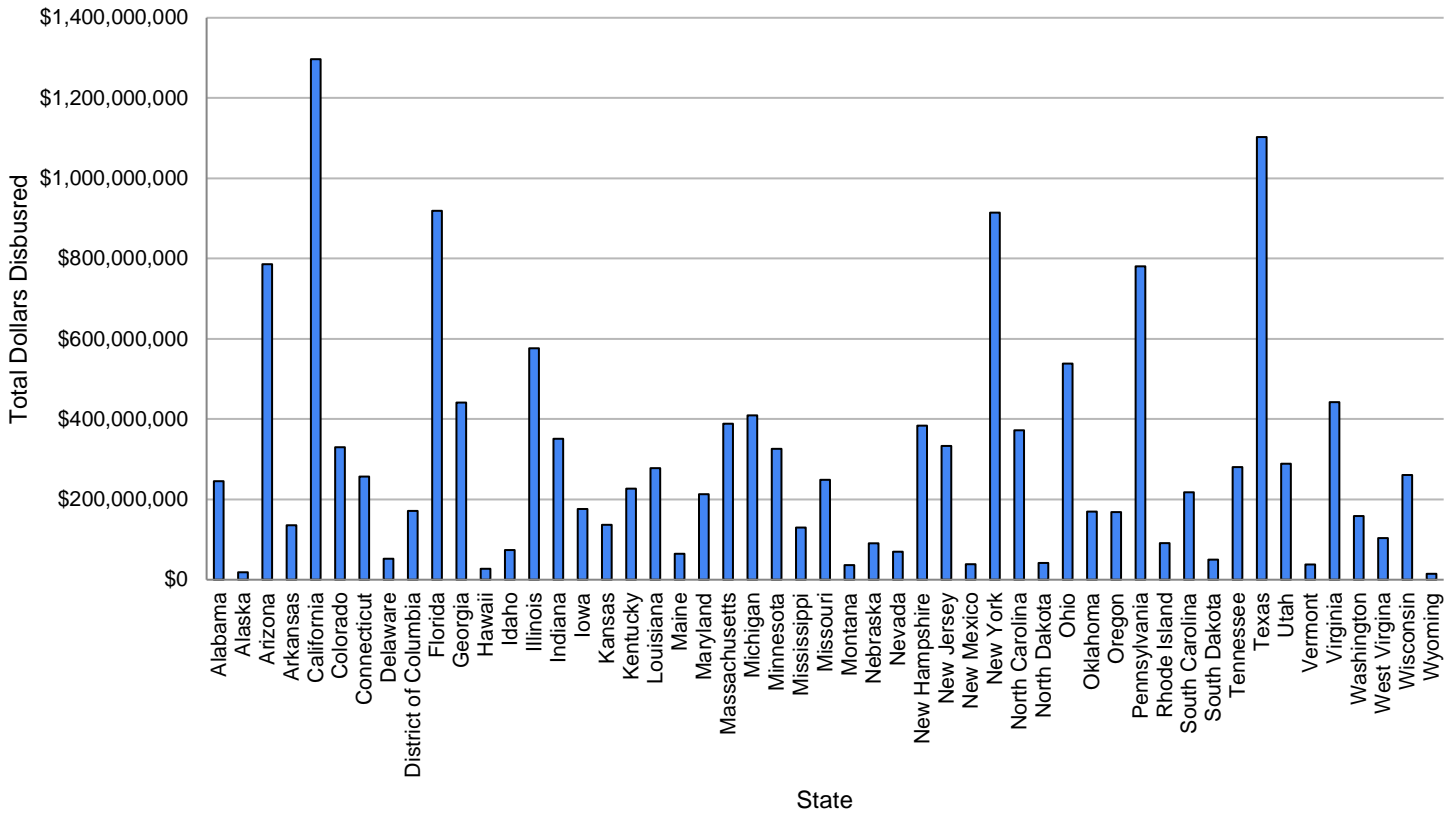
Source: U.S. Department of Education, Federal Campus-Based Programs Data Book, 2023.

## Federal Direct Subsidized Loan Recipients by State, Award Year 2022-23



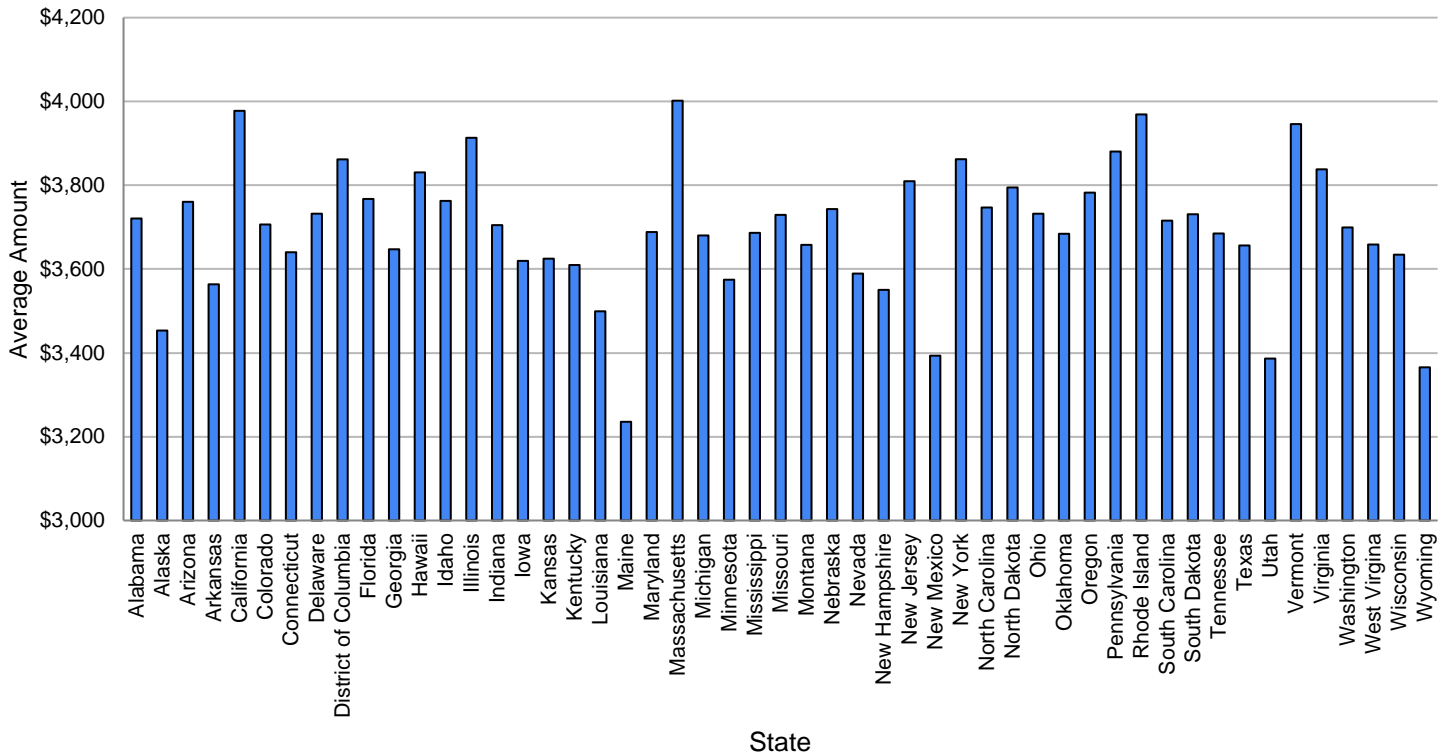
Source: Common Origination and Disbursement (COD) System, available from FSA Data Center

## Federal Direct Subsidized Loan Dollars Disbursed by State (in millions), Award Year 2022-23



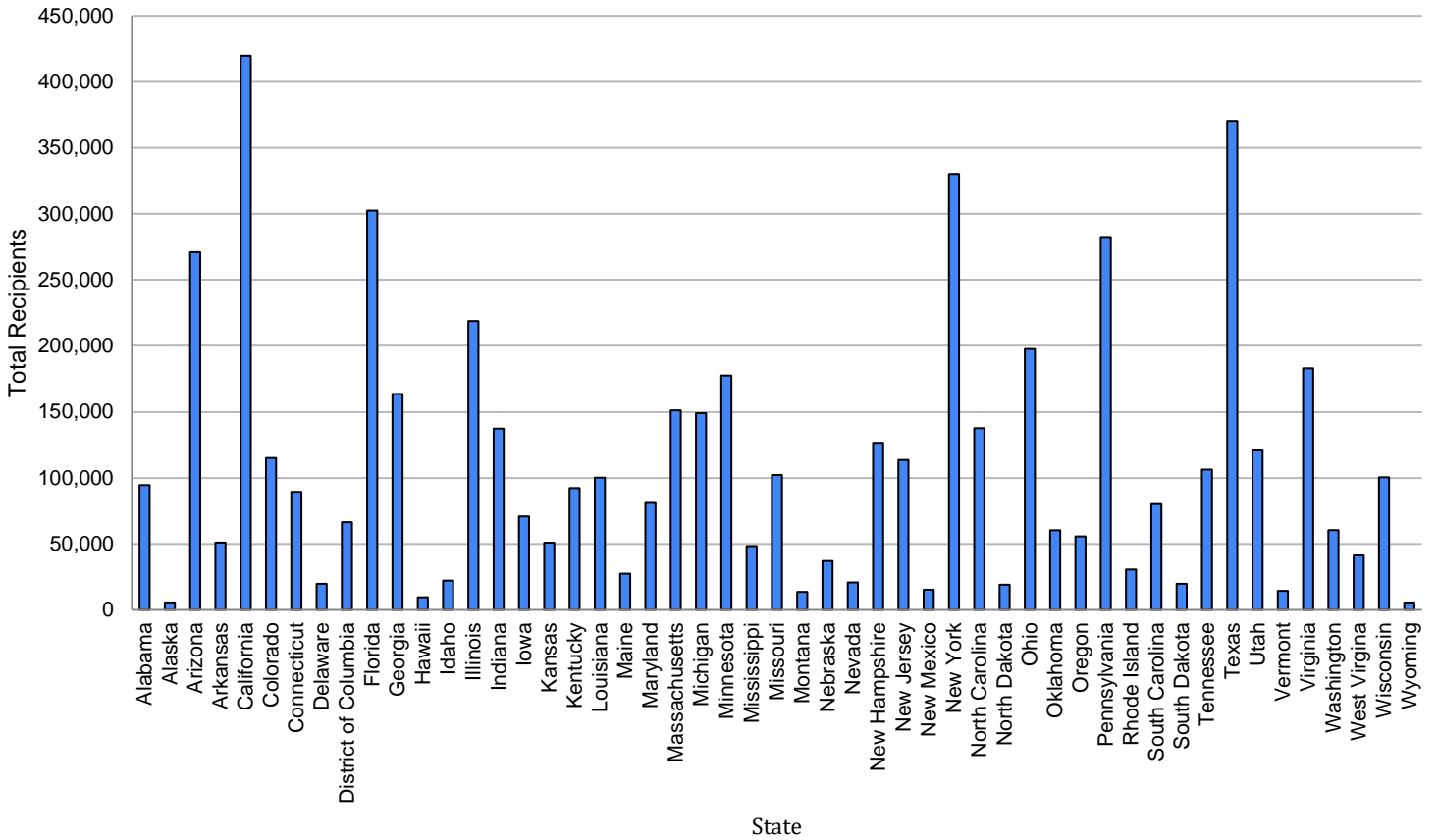
Source: Common Origination and Disbursement (COD) System, available from FSA Data Center

## Average Federal Direct Subsidized Loan Amount by State, Award Year 2022-23



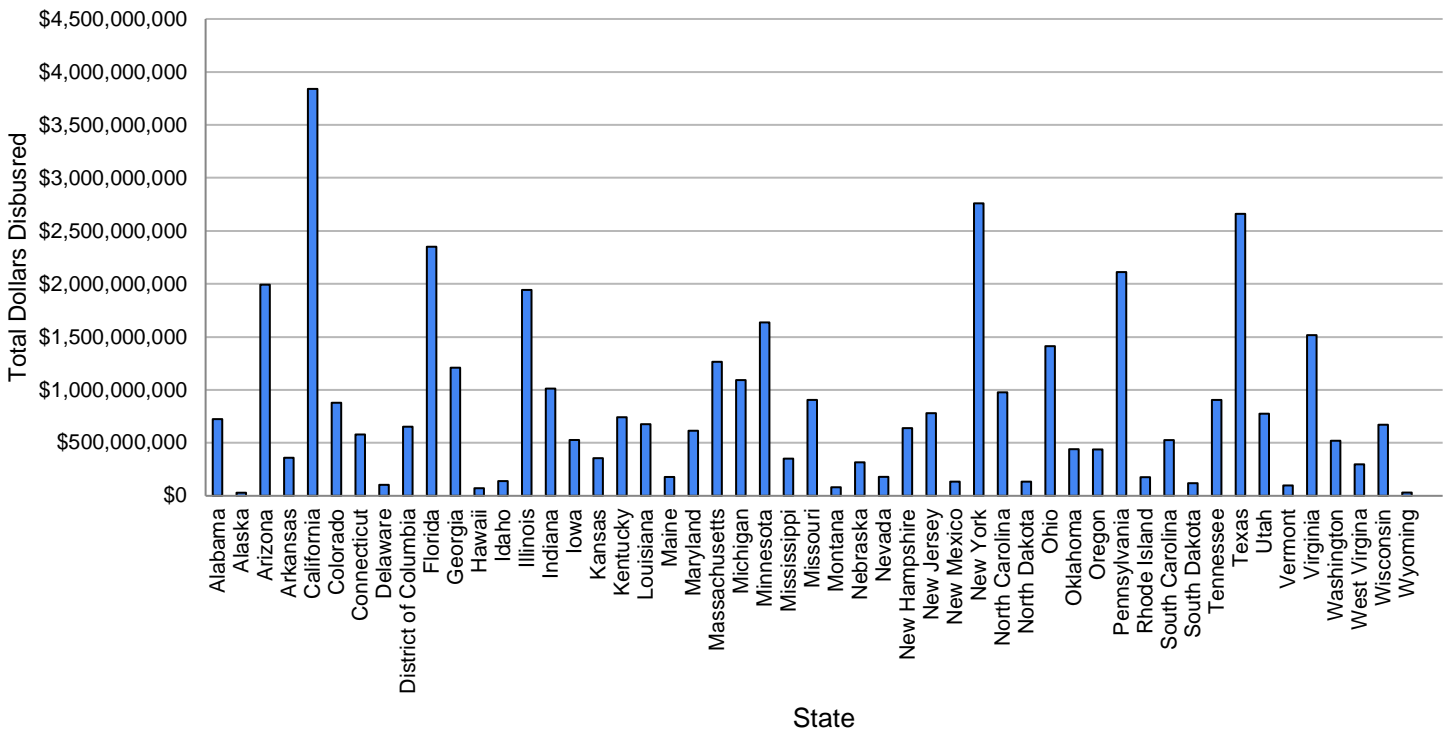
Source: Common Origination and Disbursement (COD) System, available from FSA Data Center

## Federal Direct Unsubsidized Loan Recipients by State, Award Year 2022-23



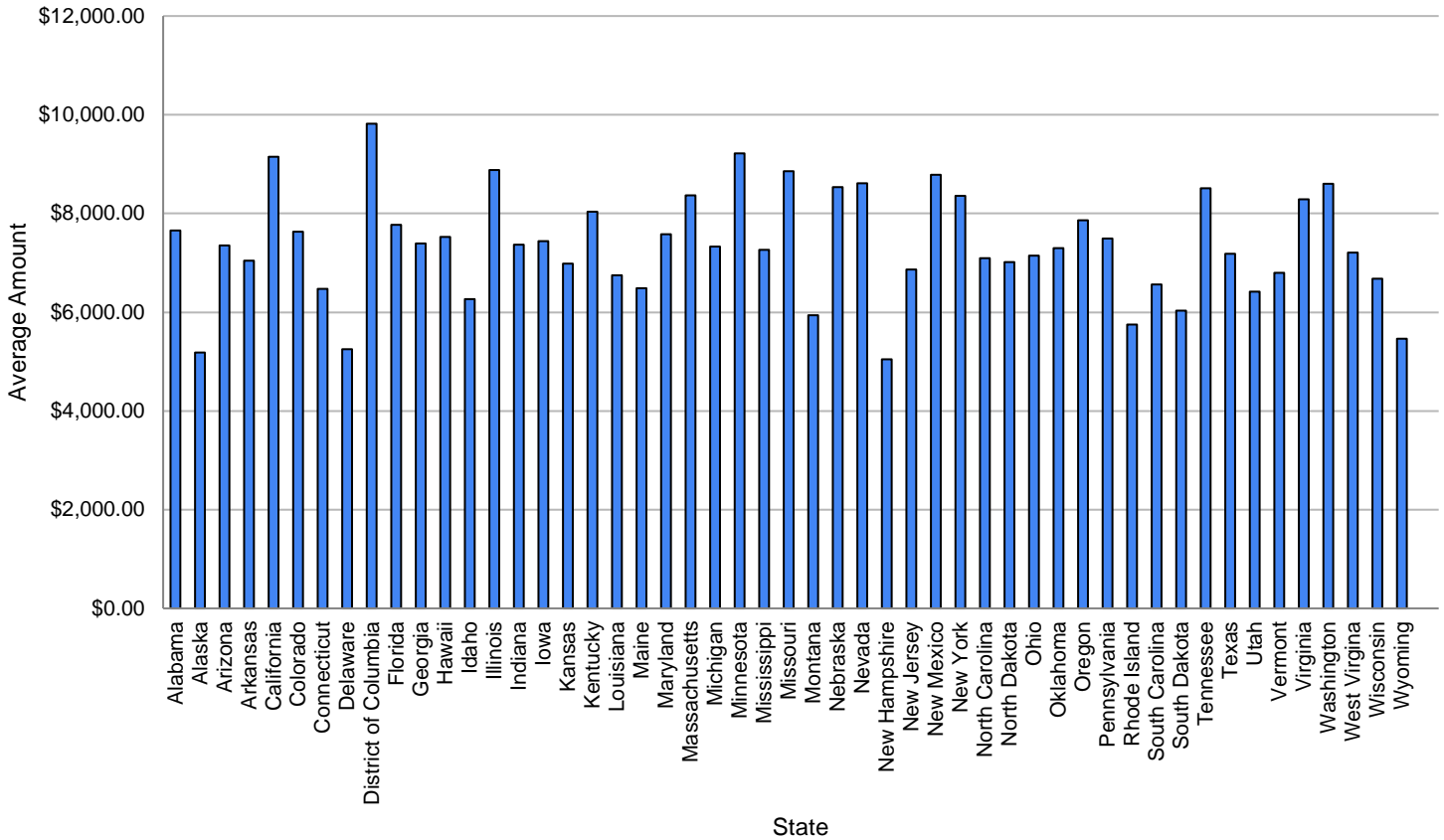
Source: Common Origination and Disbursement (COD) System, available from FSA Data Center

## Federal Direct Unsubsidized Loan Dollars Disbursed by State (in millions), Award Year 2022-23



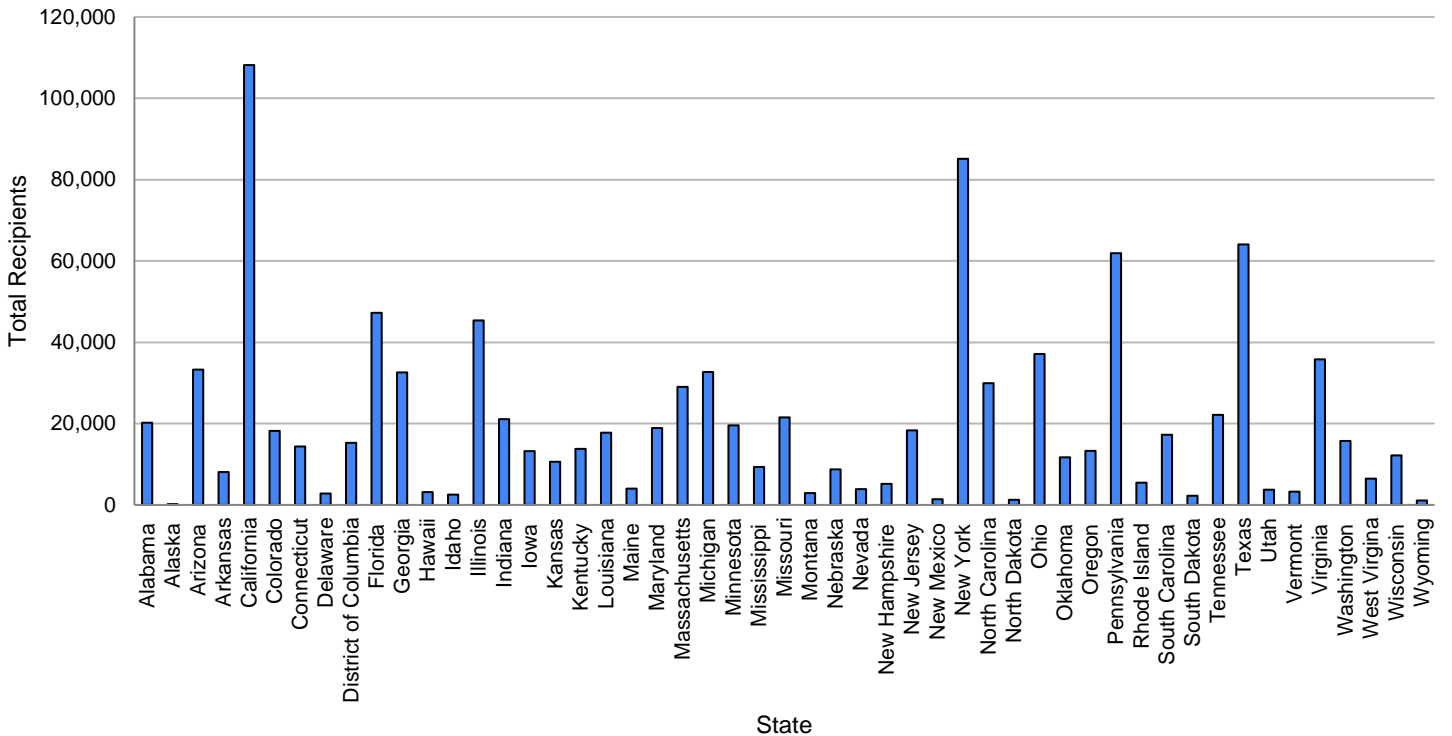
Source: Common Origination and Disbursement (COD) System, available from FSA Data Center

## Average Federal Direct Unsubsidized Loan Amount by State, Award Year 2022-23



Source: Common Origination and Disbursement (COD) System, available from FSA Data Center

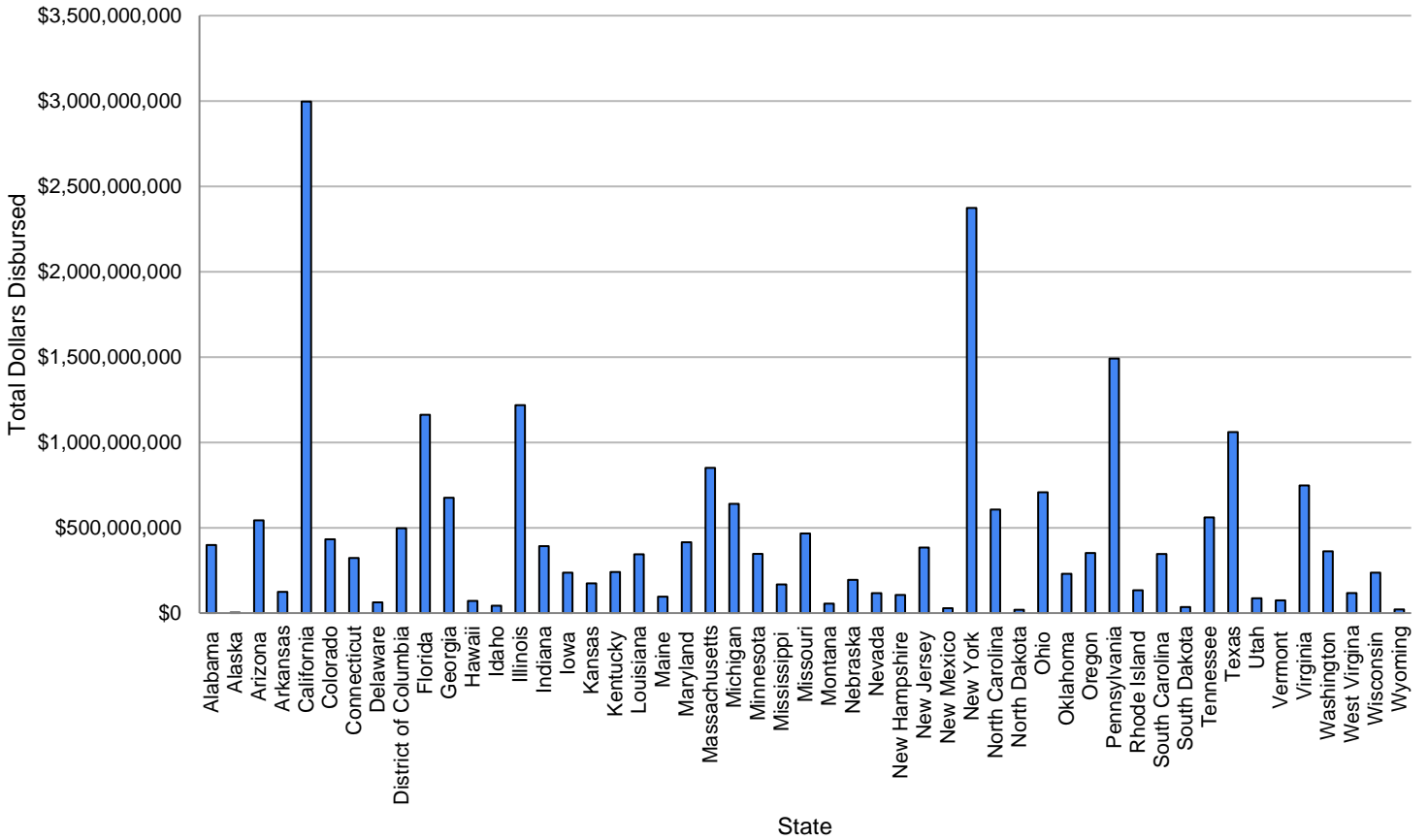
## Federal Direct PLUS Loan Recipients by State, Award Year 2022-23



Source: Common Origination and Disbursement (COD) System, available from FSA Data Center

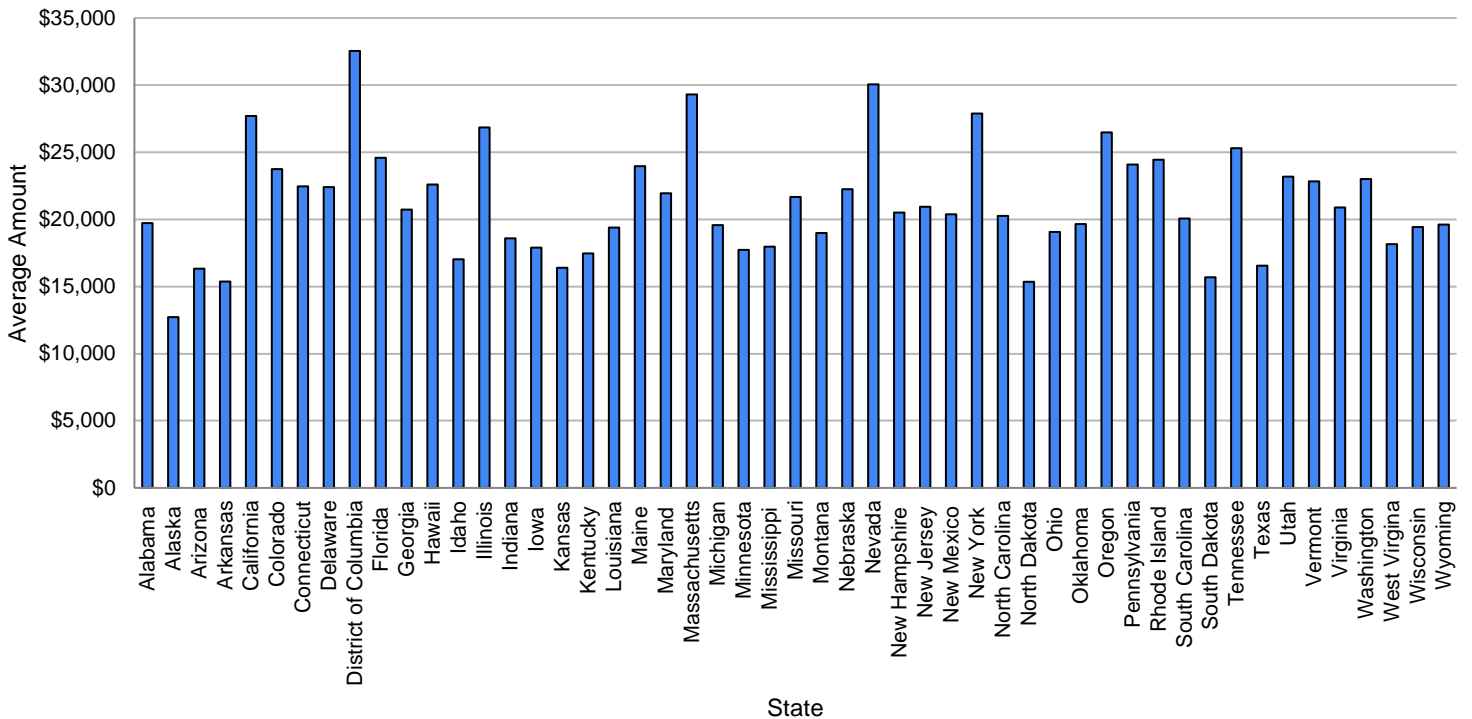


## Federal Direct PLUS Loan Dollars Disbursed by State (in millions), Award Year 2022-23



Source: Common Origination and Disbursement (COD) System, available from FSA Data Center

## Average Federal Direct PLUS Loan Amount by State, Award Year 2022-23



Source: Common Origination and Disbursement (COD) System, available from FSA Data Center

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