



FAFSA Fallout: Application Dropoff Threatening to Widen College Gaps

JUNE 27, 2024 – PETER GRANVILLE

FAFSA Fallout: Application Dropoff Threatening to Widen College Gaps

JUNE 27, 2024 – PETER GRANVILLE

Executive Summary

The U.S. Department of Education's three-month delay in launching the new FAFSA form and the subsequent lack of continuous access, ambiguities in the form, and data reporting errors have resulted in a significant decline in form completions for 2024.

- Comparing data from late May 2024 to those from late May 2023, nearly **300,000 fewer high school seniors have completed FAFSAs this year.**
- Lower-income regions of the country are experiencing much larger declines, with FAFSA completions at public high schools in **Alabama and Mississippi down nearly a quarter** for example, while **in West Virginia, they are down more than 20 percent.**
- The median student who has submitted their FAFSA submitted it **an estimated seventy-five days later** than the median student who had submitted one by May last year, raising concerns that the class of 2024 is less likely to make an informed decision about college enrollment.

The analysis in this report—a first-of-its kind study merging granular demographic data on American communities with FAFSA completion data for the class of 2024—indicates that

the dropoff in FAFSA completions has been significantly worse among historically marginalized communities. As a result, colleges are likely to see enrollment declines that are linked to race, educational attainment, and income.

- Communities with a high share of **residents living in poverty, non-college adults, or Black or Latino residents** show year-over-year dropoffs in FAFSA completions that are roughly 20 percent greater than those in communities with a low share of these groups.
- A FAFSA submitted by a student in a community that has a high share of residents living in poverty, non-college adults, or Black or Latino residents is **nearly twice as likely** to be incomplete compared to a submitted FAFSA from a community with a low share of these groups.

The analysis also reveals that, despite a fumbled launch of the new form, efforts by the U.S. Department of Education, high schools, colleges, states, cities, and nonprofits have resulted in some good news:

- FAFSA submission gaps by income, educational attainment, and race and ethnicity are closing. For example, since January 31, the **greatest increase to FAFSA submission has been in high-poverty communities.**

This report can be found online at: <https://tcf.org/content/report/fafsa-fallout-application-dropoff-threatening-to-widen-college-gaps>

- **Mandatory FAFSA states** have helped shrink these demographic gaps through a surge in FAFSA filing in April and May, although late-spring filers will need extra support to enroll in college.

Despite efforts by stakeholders, however, this report projects a significant drop in FAFSA completions compared to previous years:

- Based on projections using data from prior years' FAFSA cycles, the best-case scenario would see the FAFSA completion rate land around **53.8 percent by end of August**: a 2.9-percentage-point drop from last year.
- Using the 2017 cycle as a comparison, we would expect the FAFSA completion rate to land around **51.9 percent** by the end of August: a 4.8-percentage-point drop from last year.

A significant dropoff in FAFSA completions will translate to a decline in college enrollment in the fall, and reduced enrollment in years ahead as this smaller class of students progresses through their programs. Furthermore, because much of the late progress on FAFSA completion occurred in mandatory FAFSA states, the analysis in this report may understate the size of the coming enrollment shortfall. And the data suggest that the enrollment dropoff will be steepest in communities that are most in need: **communities with a high share of residents living in poverty, non-college adults, and Black or Latino residents.** Colleges and universities, state university systems, and Congress should make preparations now to measure and address the impact of declines in enrollment.

Introduction

The Free Application for Federal Student Aid (FAFSA) serves as America's students and families' doorway to federal grants, loans, and work-study programs for attending college—a resource pipeline that [totaled \\$122 billion last year](#).¹ The FAFSA form is also the doorway to most state and institutional grant programs, bringing the total of

resources it helps access to \$213 billion.² America's college-bound students heavily rely on this funding stream, as do the schools they attend.

But this year, hundreds of thousands of families found the door closed, wedged, or obstructed. The U.S. Department of Education [delayed the launch](#) of this year's FAFSA by three months and then [launched it with only intermittent access for nearly two weeks](#). Once it was fully live, families and colleges encountered [significant data reporting errors and confusing ambiguities in the form, which the Department of Education scrambled to fix](#). Even then, [mixed-status families](#) remained shut out, and [families were not able to make corrections to their information for months](#).³

The fumbled launch of the new FAFSA form has resulted in a significant decline in form completions for 2024. Comparing data from May 24, 2024 to those from May 24 2023, roughly 300,000 fewer high school seniors have completed FAFSAs this year.⁴ Furthermore, the median 2024 high school senior who has submitted their FAFSA did so in February, compared to early December for a 2023 high school senior who submitted theirs by May: eight fewer weeks that a student would have been aware that they are eligible for the federal Pell Grant.

This dropoff in FAFSA completions threatens to reduce college enrollment in the fall, because students who have not completed a FAFSA will not learn whether they qualify for federal aid, nor will they know how much aid they will receive. Absent this information, they cannot make an informed choice about college enrollment, potentially swaying their decision where to attend college and whether or not to continue their education at all. The delays and errors with this year's FAFSA have also put immense strain and stress on guidance counselors, college access advisors, and financial aid administrators, making the already-difficult work of supporting students and families through the form [that much harder](#).⁵

Much of the recent discourse on the FAFSA fumble has focused on the "how"—how the Department of Education, Congress, and government contractors contributed to

the debacle. But right now, as fall college enrollment gets ever closer, what is perhaps more important is a greater understanding of the “who”: Who are the families that would have otherwise completed the FAFSA by now, but have not?

The nation experienced a 13.5 percent decline in overall FAFSA completions, according to [the National College Attainment Network](#).⁶ Digging deeper into geographic trends shows that certain parts of the country see greater declines, particularly in lower-income regions. In South Florida, for example, FAFSA completions at public high schools are down 19.3 percent, a loss of roughly 8,000 completions.⁷ In Alabama, FAFSA completions at public high schools are down 22.9 percent, a loss of 6,400 completions. Northwestern New Mexico, Southern Mississippi, western Oklahoma, and West Virginia all register declines greater than 20 percent.⁸

Digging further into the interplay of community demographics and FAFSA completion reveals which types of communities are experiencing the highest declines in FAFSA completion. Prior research has found that high-minority high schools and high-poverty high schools are [faring worse](#) than low-minority and low-poverty high schools,⁹ and that states with lower educational attainment [have tended to see greater dropoffs](#).¹⁰

The analysis for this report builds on existing understanding of the unfolding situation by gleaning insights from community-level datasets and drawing comparisons to prior FAFSA cycles.¹¹ Doing so helps everyone look backward and forward at a moment when students and families are at a crossroads. With many colleges delaying their “decision days” and many open-enrollment institutions still accepting students, there is still time before students alter their postsecondary plans for this year, and maybe forever. Placing completion declines and gaps among communities in the context of other FAFSA cycles helps assess the severity of the ongoing fallout. And understanding which communities are completing fewer FAFSA forms can tell us about which colleges might bear the brunt of any [enrollment declines from noncompletion](#), and where resources

should be deployed to help colleges withstand resulting financial shocks and support young adults reconnecting to postsecondary education.¹²

The analysis finds that the dropoff in completion hits the most vulnerable communities the hardest:

- **Magnitude of completion gaps:** Communities with a high share of residents living in poverty, non-college adults, or Black or Latino residents show year-over-year dropoffs in FAFSA completions that are 20 percent greater than those in communities with a low share of these groups.
- **Lost FAFSAs in high-poverty areas:** The one-fifth of communities with the greatest share of residents living in poverty show 51,000 fewer FAFSA completions year-over-year, out of 642,000 students.
- **Lost FAFSAs in low-attainment areas:** The one-fifth of communities with the greatest share of adults who did not attend college show 42,000 fewer FAFSA completions year-over-year, out of 514,000 students.
- **Lost FAFSAs in high-minority areas:** The one-fifth of communities with the greatest share of residents who are Black or Latino show 86,000 fewer FAFSA completions year-over-year, out of 1.03 million students.
- **Gaps in submitted-but-incomplete FAFSAs:** A FAFSA that has been submitted by a student in a community that has a high share of residents living in poverty, non-college adults, or Black or Latino residents is nearly twice as likely to be incomplete compared to a submitted FAFSA from a community with a low share of these groups.

However, there is some good news: FAFSA submission gaps by income, educational attainment, and race and ethnicity that were extremely wide in January have been closing in relative terms. Since January 31, the greatest increase to FAFSA submission has been in high-poverty communities,

a credit to ongoing efforts by the Department of Education, states, cities, colleges, high schools, and nonprofits to raise FAFSA filing in historically underserved communities. Much of this good news is driven by outsized gains in mandatory FAFSA states, where additional support will be critical to ensure students can navigate the college enrollment process.

No one can foretell how precisely FAFSA completion will change in the next several months. Based on projections using data from prior years' FAFSA cycles, this report projects that the FAFSA completion rate could range from 51.9 to 53.8 percent by the end of August: a 2.9 to 4.8 percentage point drop from the previous year. [Recent financial commitments](#) by the Department of Education to help communities with the form are a step in the right direction toward the best-case scenario,¹³ and certainly, the department—as well as high schools, colleges, states, cities, and nonprofits—should continue to press their efforts to ensure timely FAFSA completion however they can.

However, a FAFSA completion dropoff of any significant size could create disruptions to college enrollment—some of which could be lasting and severe. Some colleges may see under-enrollment, and while others may fill all their seats, they may not fill them with the students they were anticipating. The Department of Education, colleges, states, and leaders in Congress should begin thinking about how colleges can best withstand a potential sudden decline in student enrollment that they could never have planned for.

The remainder of this report looks at how FAFSA completion rates have differed by community demographics; how completion rate gaps by community demographics have changed over time, from the FAFSA form's January release to late May; how to think about particular considerations in states that have mandatory FAFSA requirements; and how the coming months may play out, with particular concern for potential enrollment declines in the fall. The report concludes with some key takeaways and recommendations going forward.

How Have FAFSA Completion Rates Differed by Community Demographics?

This section looks at the year-over-year declines in FAFSA completions, the overall FAFSA completion rates, and the share of FAFSAs that are submitted but incomplete, broken out by the demographics of public high schools' surrounding communities: poverty rates, rates of educational attainment, and residents' race and ethnicity. These three demographic factors do not cover all the defining features of communities, but they paint a picture of major trends.

Year-Over-Year Declines in Completed FAFSAs

Comparing late May 2024 to late May 2023, declines in FAFSA completion are large for public high schools that predominantly serve historically marginalized communities.

- **Income:** The dropoff in completions is 28.1 percent (3.6 percentage points) worse for the top quintile of communities aggregated by the share of the population living in poverty (a 16.4 percent decline, year-over-year), compared to the rate for the quintile of communities with the lowest share who are living in poverty (a 12.8 percent decline).
- **Educational attainment:** The dropoff in completions is 25.0 percent (3.3 percentage points) worse for the top quintile of communities aggregated by the share who never went to college (a 16.5 percent decline, year-over-year), compared to the rate for the quintile of communities with the lowest share who never went to college (a 13.2 percent decline).
- **Race and ethnicity:** The dropoff in completions is 21.0 percent (2.9 percentage points) worse for the top quintile (that is, top 20 percent) of communities aggregated by the share who are Black or Latino (a 16.7 percent decline, year-over-year), compared to the rate for the quintile of communities with the lowest share who are Black or Latino (a 13.8 percent decline).¹⁴

Trends across groups aggregated by race and ethnicity, educational attainment, and poverty all follow remarkably similar patterns, with greater dropoffs year-over-year as the share who are Black or Latino, non-college, and living in poverty rise. (See Figures 1–3.)

FIGURE 1

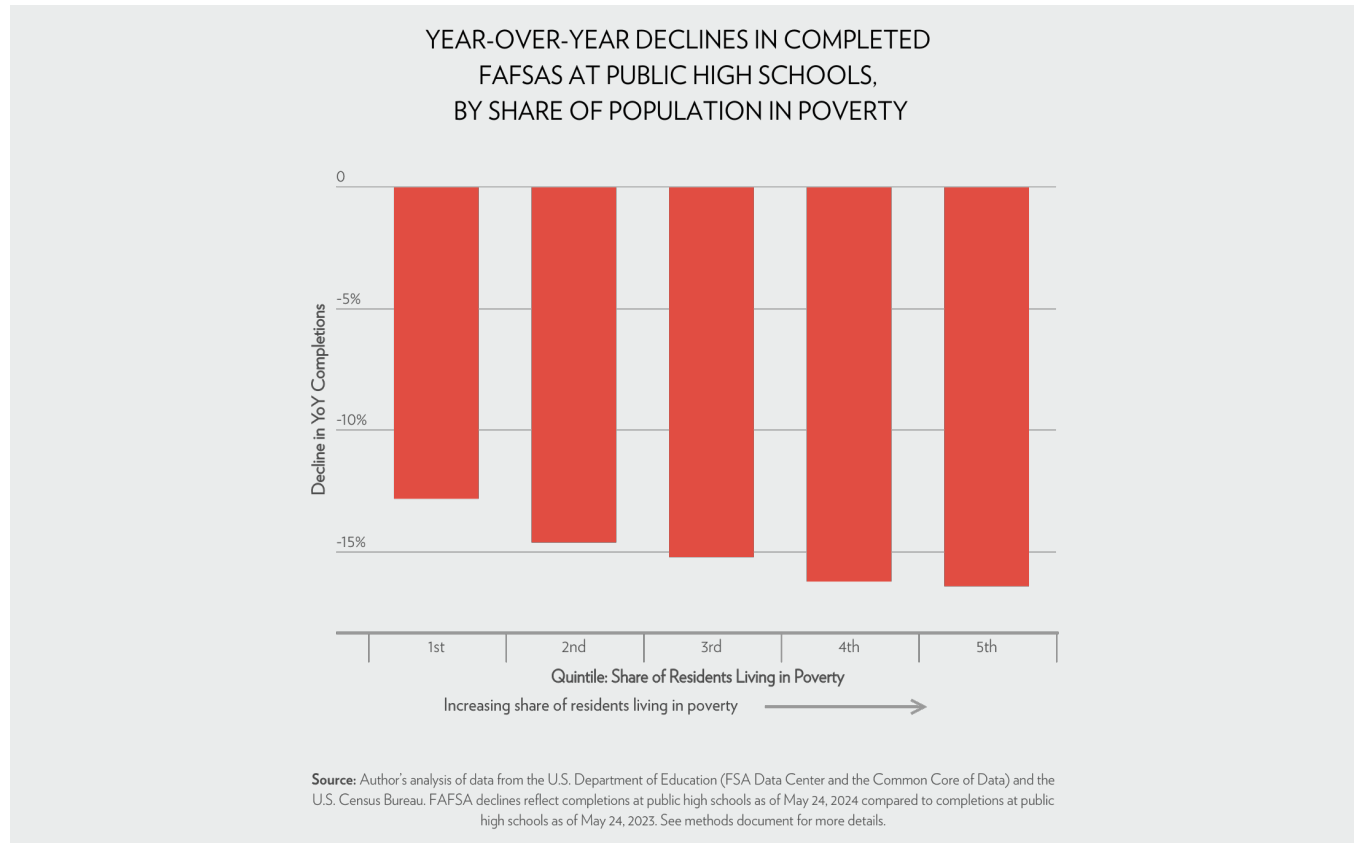


FIGURE 2

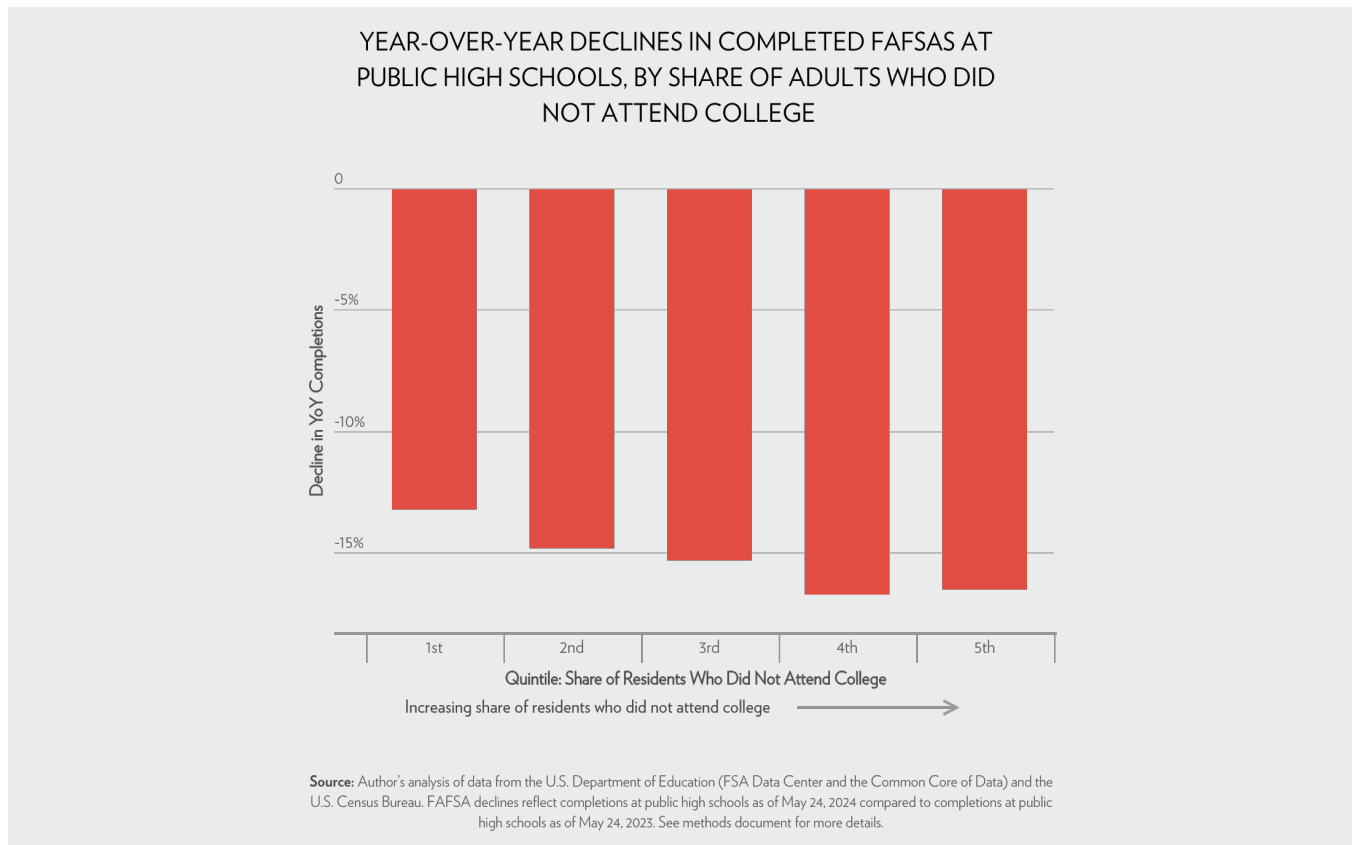
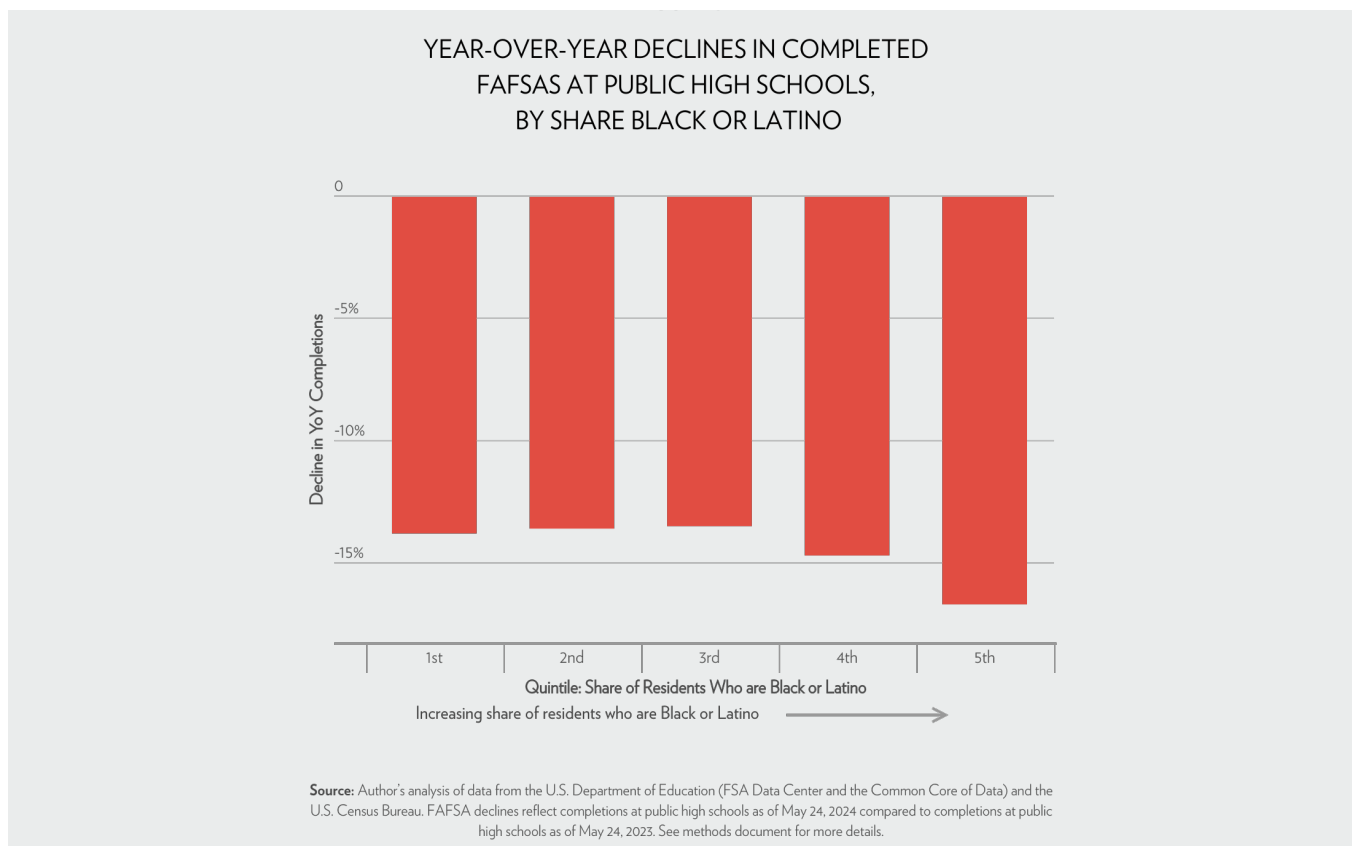


FIGURE 3



These three demographic factors overlap for many American communities. Of the 2,852 Zip Code Tabulation Areas (ZCTAs) in the top-fifth for the share of the population in poverty, roughly half (1,379) are also in the top-fifth by the share of adults who did not attend college, and roughly half (1,413) are also in the top-fifth by the share of residents who are Black or Latino.

The trends listed above translate to tens of thousands of fewer FAFSAs from communities who are already historically underrepresented in higher education. As of late May:¹⁵

- **Income:** Communities in the top quintile by the share of the population living in poverty had completed around 51,000 fewer FAFSAs compared to this time the previous year, out of a total of roughly 642,000 twelfth-grade students in that quintile.¹⁶
- **Educational attainment:** Communities in the top quintile by the share of adults who did not attend college had completed around 42,000 fewer FAFSAs compared to this time the previous year, out of a total of roughly 514,000 twelfth-grade students in that quintile.¹⁷
- **Race and ethnicity:** Communities in the top quintile by the share of residents who are Black or Latino had completed around 86,000 fewer FAFSAs compared to this time the previous year, out of a total of roughly 1.03 million twelfth-grade students in that quintile.¹⁸

As a general theme, the communities where families are most familiar with the college-going process, by virtue of adults having attended college themselves, appear to have been the most capable of adapting to shifting timelines and a flawed website rollout. The trends based on income also suggest that greater access to counseling resources and financial guidance may have cushioned high-income communities' declines in FAFSA completion thus far.

FAFSA Completion Rates

Comparing total FAFSA completions to twelfth-grade enrollment, FAFSA completion rates are lower for public high schools in historically marginalized communities.¹⁹

As of late May:

- **Income:** Completion rates were 6.7 percentage points lower in the quintile of communities with the highest share of the population living in poverty (41.0 percent), compared to the quintile of communities with the lowest share who are living in poverty (47.7 percent).
- **Educational attainment:** Completion rates were 6.1 percentage points lower in the quintile of communities with the highest share who never went to college (41.6 percent), compared to the quintile of communities with the lowest share who never went to college (47.7 percent).
- **Race and ethnicity:** Completion rates were 1.0 percentage points lower in the quintile of communities with the highest share who are Black or Latino (41.5 percent), compared to the quintile of communities with the lowest share who are Black or Latino (42.5 percent).²⁰

The disproportionate dropoffs in FAFSA completion this year as compared to last year seen in Figures 1–3 exacerbate gaps that had already existed for low-income communities and communities with fewer adults who had attended college. (See Figures 4–6.)

FIGURE 4

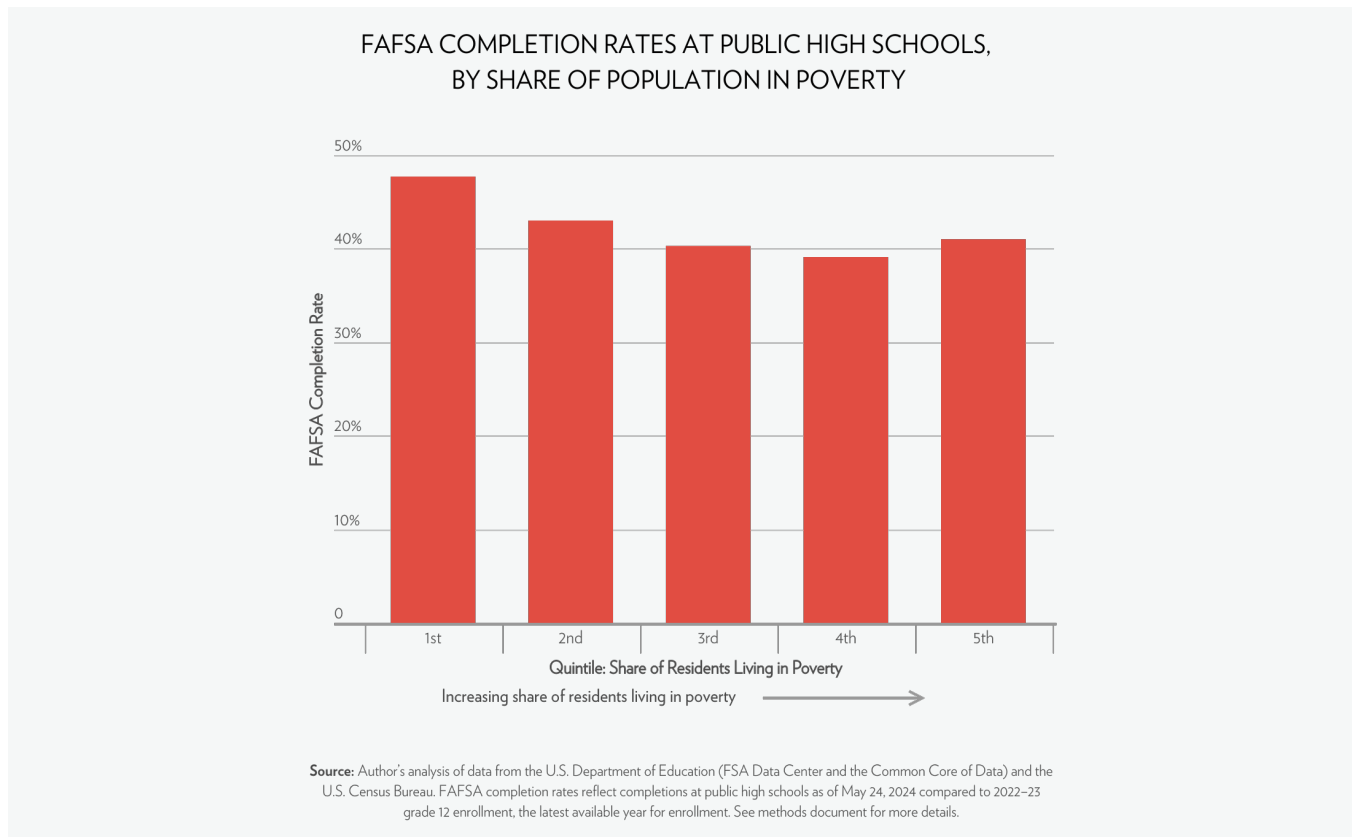


FIGURE 5

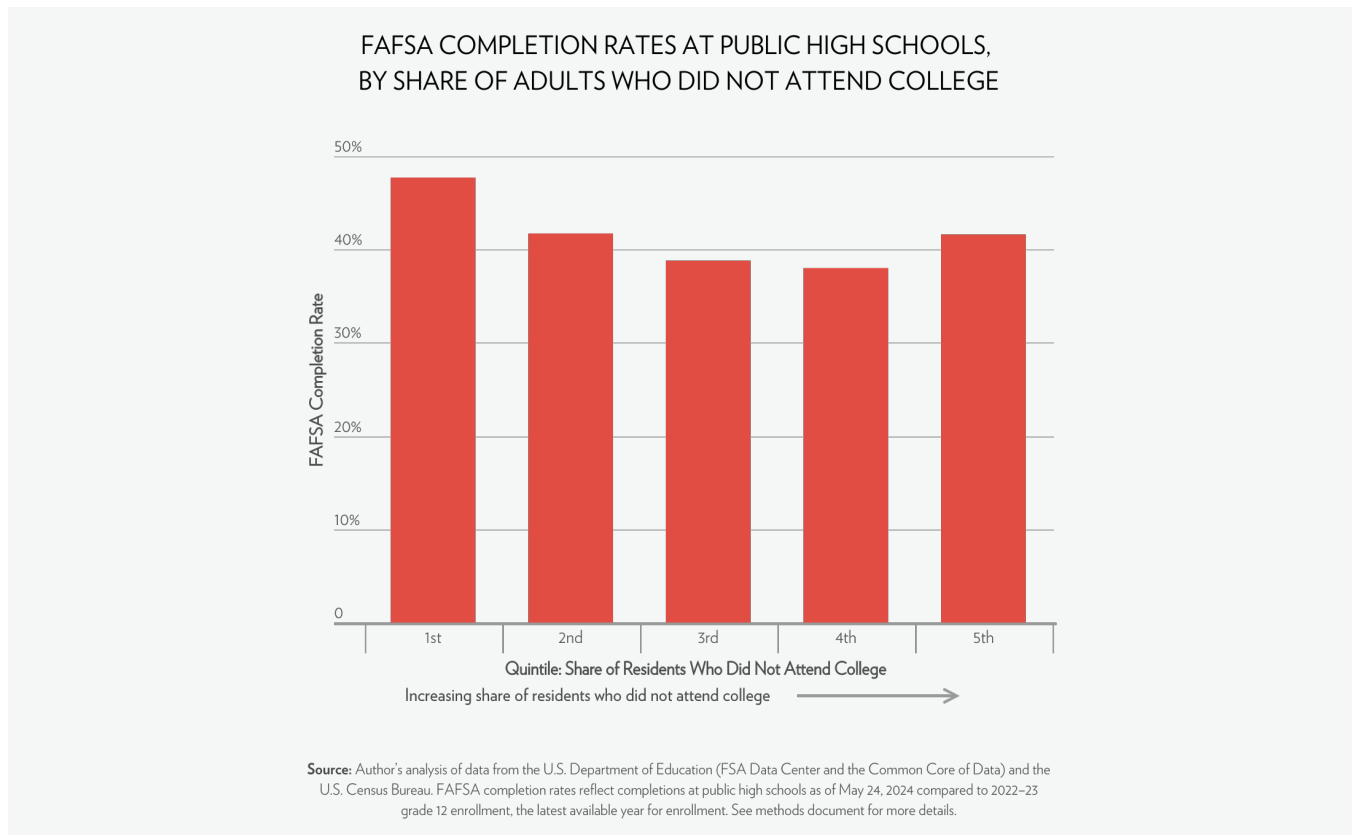
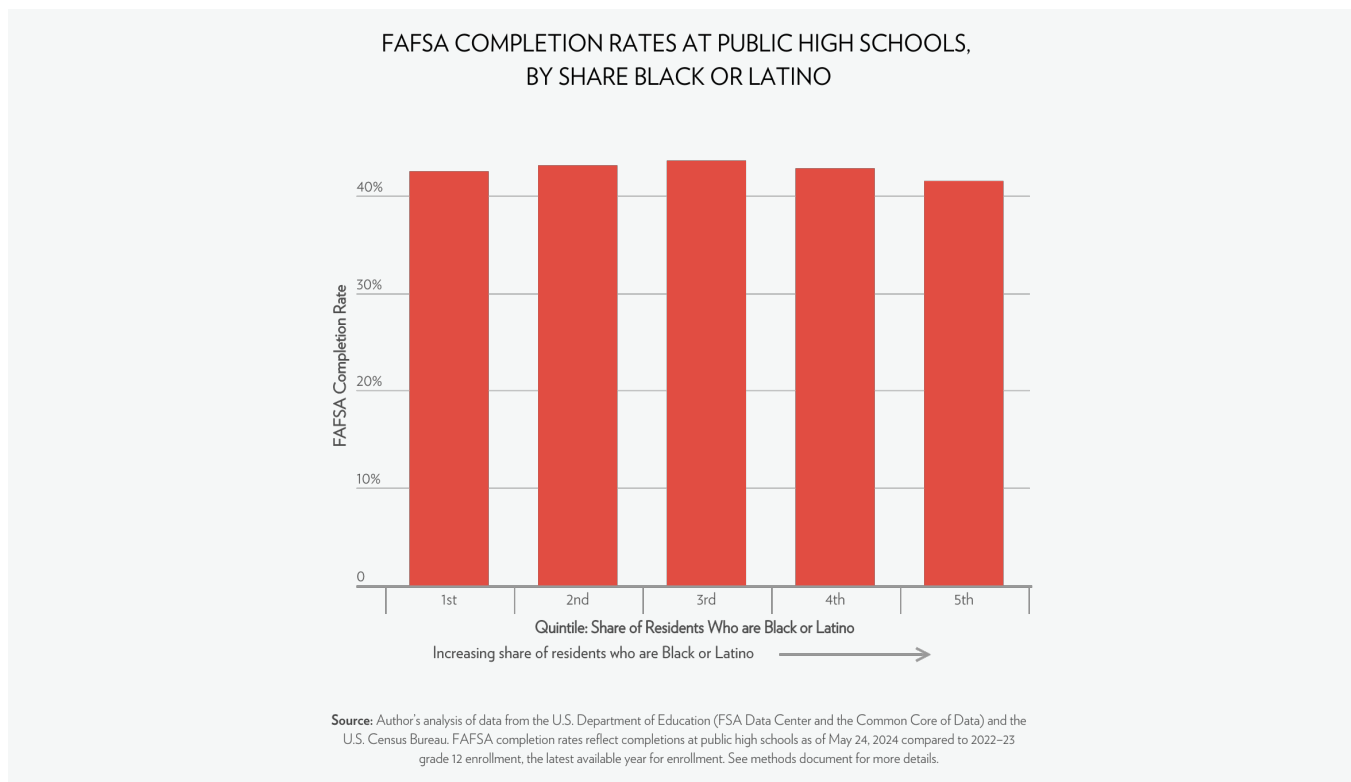


FIGURE 6



In recent years, FAFSA completion gaps by race and ethnicity have closed, and by May 31, 2023, a greater share of Black or Latino residents actually corresponded to a higher FAFSA completion rate.²¹ In this cycle, communities that have the highest shares of Black or Latino residents instead roughly equal other communities.

The Share of FAFSAs That Are Incomplete

A submitted FAFSA does not qualify an applicant for financial aid until it is completed. For dependent students, which include most of those in twelfth grade, a FAFSA can only reach completed status once the parental portion of the form has been filed; and, for all borrowers, a FAFSA is only complete once the Department of Education’s processing system has determined no required information is missing and the applicant has completed verification, if necessary. When a community sees many FAFSAs fall into the “submitted but incomplete” category, it signals that families are at risk of not becoming eligible for financial aid.

As of late May:

- **Income:** The share of submitted FAFSAs that were incomplete was 4.6 percentage points higher in the quintile of communities with the highest share living in poverty (9.5 percent), compared to the quintile of communities with the lowest share living in poverty (4.9 percent).
- **Educational attainment:** The share of submitted FAFSAs that were incomplete was 4.2 percentage points higher in the quintile of communities with the highest share who never went to college (9.4 percent), compared to the quintile of communities with the lowest share who never went to college (5.2 percent).
- **Race and ethnicity:** The share of submitted FAFSAs that were incomplete was 4.4 percentage points higher in the quintile of communities with the highest share who are Black or Latino (9.7 percent), compared to the quintile of communities with the lowest share who are Black or Latino (5.3 percent).

In other words, a FAFSA that had been submitted by a student in a community that is at the high end of these metrics is nearly twice as likely to be incomplete, compared to one from a community at the opposite end. (See Figures 7–9.)

FIGURE 7

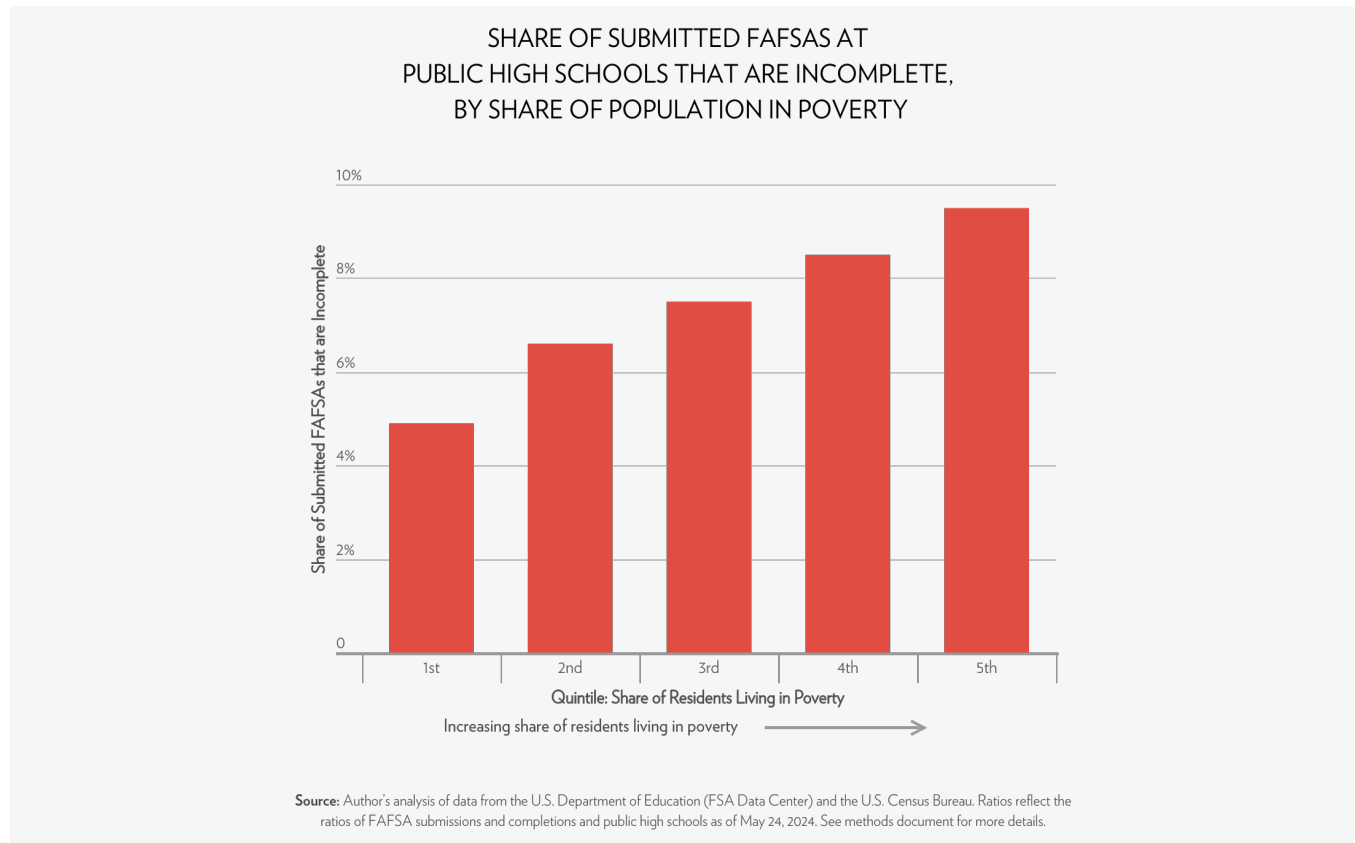
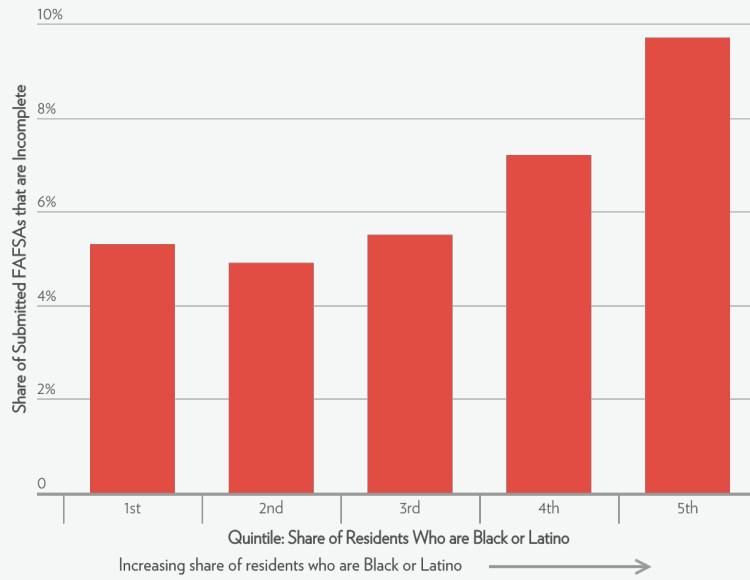


FIGURE 9

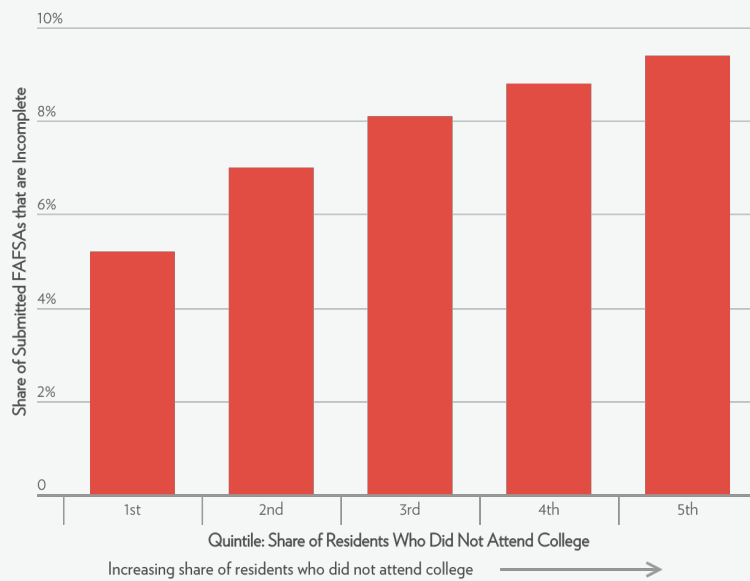
SHARE OF SUBMITTED FAFSAS AT PUBLIC HIGH SCHOOLS THAT ARE INCOMPLETE, BY SHARE BLACK OR LATINO



Source: Author's analysis of data from the U.S. Department of Education (FSA Data Center) and the U.S. Census Bureau. Ratios reflect the ratios of FAFSA submissions and completions and public high schools as of May 24, 2024. See methods document for more details.

FIGURE 8

SHARE OF SUBMITTED FAFSAS AT PUBLIC HIGH SCHOOLS THAT ARE INCOMPLETE, BY SHARE OF ADULTS WHO DID NOT ATTEND COLLEGE



Source: Author's analysis of data from the U.S. Department of Education (FSA Data Center) and the U.S. Census Bureau. Ratios reflect the ratios of FAFSA submissions and completions and public high schools as of May 24, 2024. See methods document for more details.

It is startling, and disconcerting, that Figures 7 and 8's trends by poverty and educational attainment show nearly linear relationships with the submitted-but-incomplete share of FAFSAs: it sends a strong signal that a FAFSA submitted by a twelfth-grade student is less likely to have been fully completed if the parent did not attend college themselves or is lower-income.

The good news is that families still have time to complete their submitted FAFSAs, and a FAFSA that has already been submitted but is incomplete is still closer to the finish line than one that has not been submitted at all.

How Are Gaps by Community Demographics Changing?

In a FAFSA cycle unlike any other, gaps among communities have changed over the weeks, in some ways that are promising.

The Department of Education normally publishes monthly datasets on FAFSA submissions and completions, but in January and February, the department only published data on submissions. To capture the greatest number of months, the analysis below focuses on FAFSA submissions, with the caveat that only completed FAFSAs make a student eligible for financial aid.

Comparing FAFSA submission rates at five points in time this cycle—the end of January, end of February, end of March, end of April, and late May—shows that gaps have

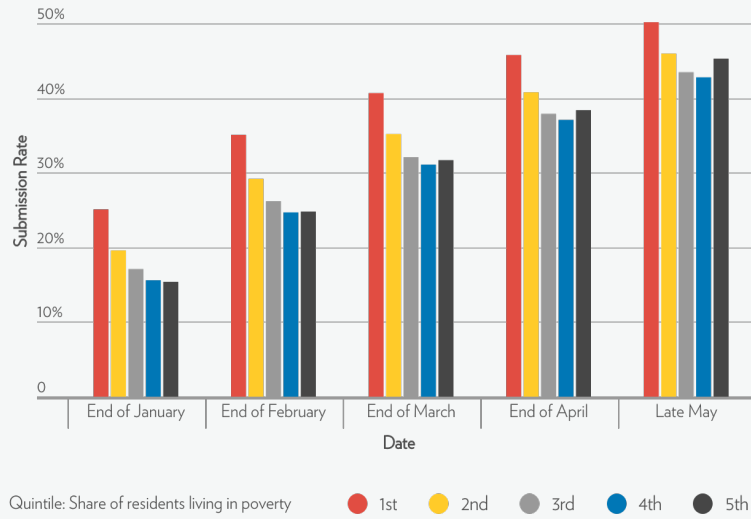
shrunk in relative terms, but remain large in absolute terms.

- **Income:** At the end of January, a student in a community that is in the bottom quintile by the share of the population living in poverty was 10.0 percentage points (66.2 percent in relative terms) more likely to have submitted a FAFSA, compared to the top quintile. This had changed to 4.9 percentage points (10.8 percent in relative terms) by late May.
- **Educational attainment:** At the end of January, a student in a community that is in the bottom quintile by the share of adults who did not attend college was 10.2 percentage points (72.3 percent in relative terms) more likely to have submitted a FAFSA, compared to the top quintile. This had changed to 5.0 percentage points (10.9 percent in relative terms) by late May.
- **Race and ethnicity:** At the end of January, a student in a community that is in the bottom quintile by the share of residents who are Black or Latino was 4.3 percentage points (27.0 percent in relative terms) more likely to have submitted a FAFSA, compared to the top quintile. This had changed to a 1.0 percentage point gap in the opposite direction (2.3 percent in relative terms) by late May.

January saw massive gaps by demographics; these gaps have since closed slightly in absolute terms, but have closed sizably in relative terms. (See Figures 10–12.)

FIGURE 10

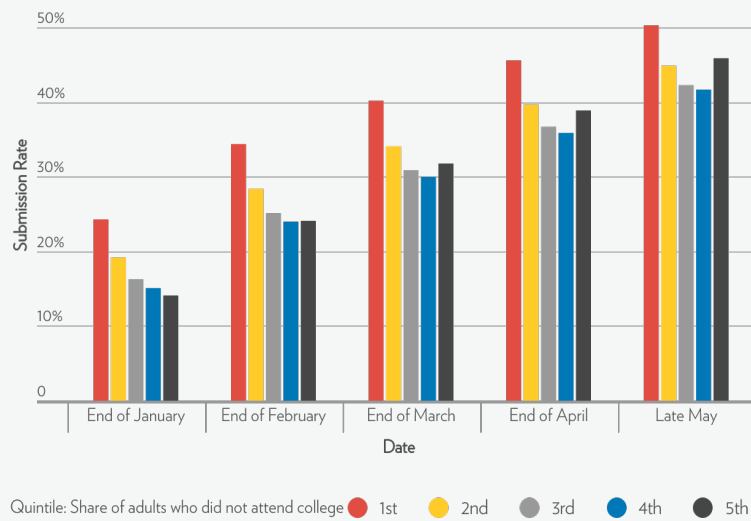
FAFSA SUBMISSION RATES AT PUBLIC HIGH SCHOOLS, BY MONTH AND SHARE OF POPULATION IN POVERTY



Source: Author's analysis of data from the U.S. Department of Education (FSA Data Center and the Common Core of Data) and the U.S. Census Bureau. FAFSA submission rates reflect submissions at public high schools compared to 2022-23 twelfth-grade enrollment, the latest available year for enrollment. "Late May" bars reflect May 24. See methods document for more details.

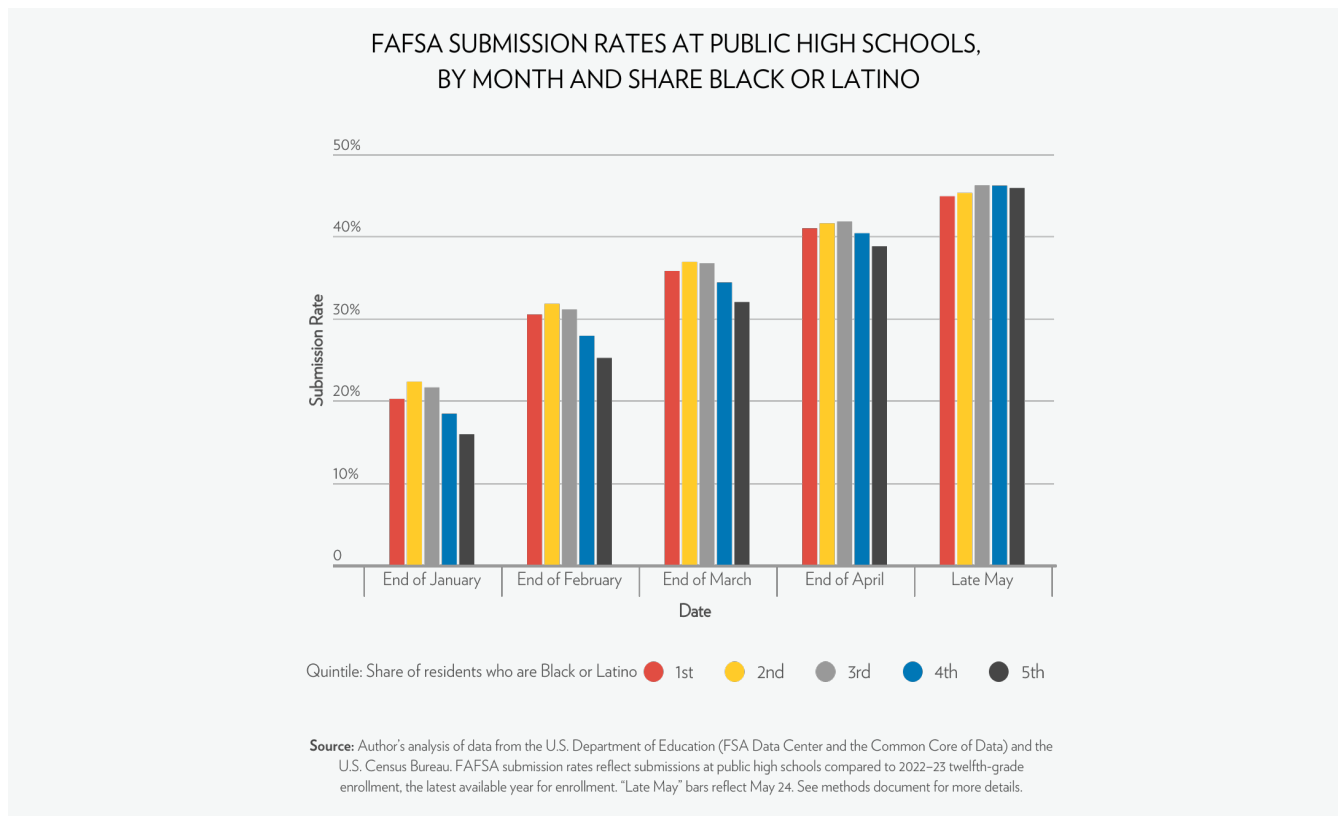
FIGURE 11

FAFSA SUBMISSION RATES AT PUBLIC HIGH SCHOOLS, BY MONTH AND SHARE OF ADULTS WHO DID NOT ATTEND COLLEGE



Source: Author's analysis of data from the U.S. Department of Education (FSA Data Center and the Common Core of Data) and the U.S. Census Bureau. FAFSA submission rates reflect submissions at public high schools compared to 2022-23 twelfth-grade enrollment, the latest available year for enrollment. "Late May" bars reflect May 24. See methods document for more details.

FIGURE 12



In January, higher-income communities and those with fewer non-college adults started submitting the FAFSA at much higher rates than lower-income communities and those with more non-college adults. Since the end of January, however, communities of all income and education groups have added new FAFSAs at a roughly equal rate, with a slight edge for communities that submitted fewer FAFSAs in January.

(See Table 1.) In other words, the gaps by income seen in late May were roughly the same gaps that were created in January. It begs the question whether gaps by income and education would be smaller if not for the confusion of the roll-out and inconsistent access to the FAFSA website in the first half of January.

TABLE 1: CHANGE IN FAFSA SUBMISSION RATES, BY POVERTY QUINTILE

Quintile by Share of Population Living in Poverty	FAFSA Submission Rate, January 31	FAFSA Submission Rate, May 24	Change to FAFSA Submission Rate, January 31 to May 24
Bottom quintile	25.1%	50.2%	+25.1 pp
2nd quintile	19.6%	46.0%	+26.3 pp
3rd quintile	17.1%	43.5%	+26.4 pp
4th quintile	15.6%	42.8%	+27.2 pp
Top quintile	15.4%	45.3%	+29.9 pp

Source: Author's analysis of data from the U.S. Department of Education (FSA Data Center and the Common Core of Data) and the U.S. Census Bureau. FAFSA submission rates reflect submissions at public high schools compared to 2022–23 grade 12 enrollment, the latest available year for enrollment. See methods document for more details.

The one group that bucks this trend is the lowest-income, most non-college communities, which have added FAFSAs in February, March, April, and May somewhat faster than higher-income, less non-college communities. One possible explanation is that active work by the Department of Education, colleges, states, cities, and nonprofits to promote FAFSA filing in disadvantaged communities has moved the needle, which would help explain why, as shown in Figures 10 and 11, the quintiles representing those communities have seen outsized improvement.

In theory, low-income communities should be filing the FAFSA more than high-income communities, since they contain more students who would qualify for the Pell Grant and state and institution-level aid programs. Even in a more normal FAFSA year, gaps by income indicate missed opportunities for families to potentially tap into grant aid for college. The fact that these gaps have not gotten worse since January, and have in some ways improved, offers reason for optimism that concerted efforts can continue to close the gap this year.

What Do Later FAFSAs Mean for College Enrollment?

When the Department of Education first released data on FAFSA completions for the class of 2024 in early April, they showed a jarringly large [40 percent decline](#) as of March 29.²²

In a turn for the better, performance in April and May beat expectations, cutting the rate of year-over-year decline by more than half, down to its current decline of 14 percent.

In a typical year, April and May see 200,000 to 225,000 new FAFSA completions from high school seniors nationwide.²³ This year, April and May saw 655,000 new FAFSA completions. For those looking for good news, the rise in FAFSA completions have been a relief. The last two months have also corresponded with shrinking gaps by income, education, and race, as detailed above.

But this may mask more serious warnings for college enrollment in the fall. Last year, the median student who submitted a FAFSA by the end of May submitted it around December 2.²⁴ This year, the median student who has submitted a FAFSA submitted it around February 15, a difference of seventy-five days, or ten and a half weeks.²⁵ Importantly, this difference is five times greater than [the two weeks many colleges extended their decision days by](#).²⁶

Moreover, Table 2 shows that public high schools in communities with greater shares of low-income residents, greater shares of non-college adults, and greater shares of Black or Latino residents have seen FAFSAs submitted more than two weeks later in the calendar this year, compared to communities with the fewest shares of these groups.

TABLE 2: ESTIMATED DATE OF FAFSA SUBMISSION FOR THE MEDIAN PUBLIC HIGH SCHOOL STUDENT WHO SUBMITTED ONE, CLASS OF 2023 VERSUS CLASS OF 2024, BY COMMUNITY DEMOGRAPHIC

Community Demographics	Estimated Date of Median FAFSA Submission, Class of 2023	Estimated Date of Median FAFSA Submission, Class of 2024	Difference in Calendar Days
1st Quintile, Share in Poverty	November 22	February 5	75 days
5th Quintile, Share in Poverty	December 11	March 1	80 days
1st Quintile, Share Non-College	November 23	February 7	76 days
5th Quintile, Share Non-College	December 14	March 5	82 days
1st Quintile, Share Black or Latino	November 29	February 10	73 days
5th Quintile, Share Black or Latino	December 11	March 1	81 days
U.S. Public High Schools Overall	December 2	February 15	75 days

Source: Author's analysis of monthly FAFSA completion data via the FSA Data Center. Based on public high school FAFSA submissions as of May 31, 2023, and projected public high school FAFSA submissions as of May 31, 2024. See methods document for details.

Students and families need time to process their financial aid eligibility before making a college enrollment decision: for many students, the biggest decision of their life to date. Even with college decision days delayed somewhat, reducing the amount of time in which a student is able to make an informed decision bodes ill for their likelihood of enrolling.

How Do Mandatory FAFSA States Affect the Trends?

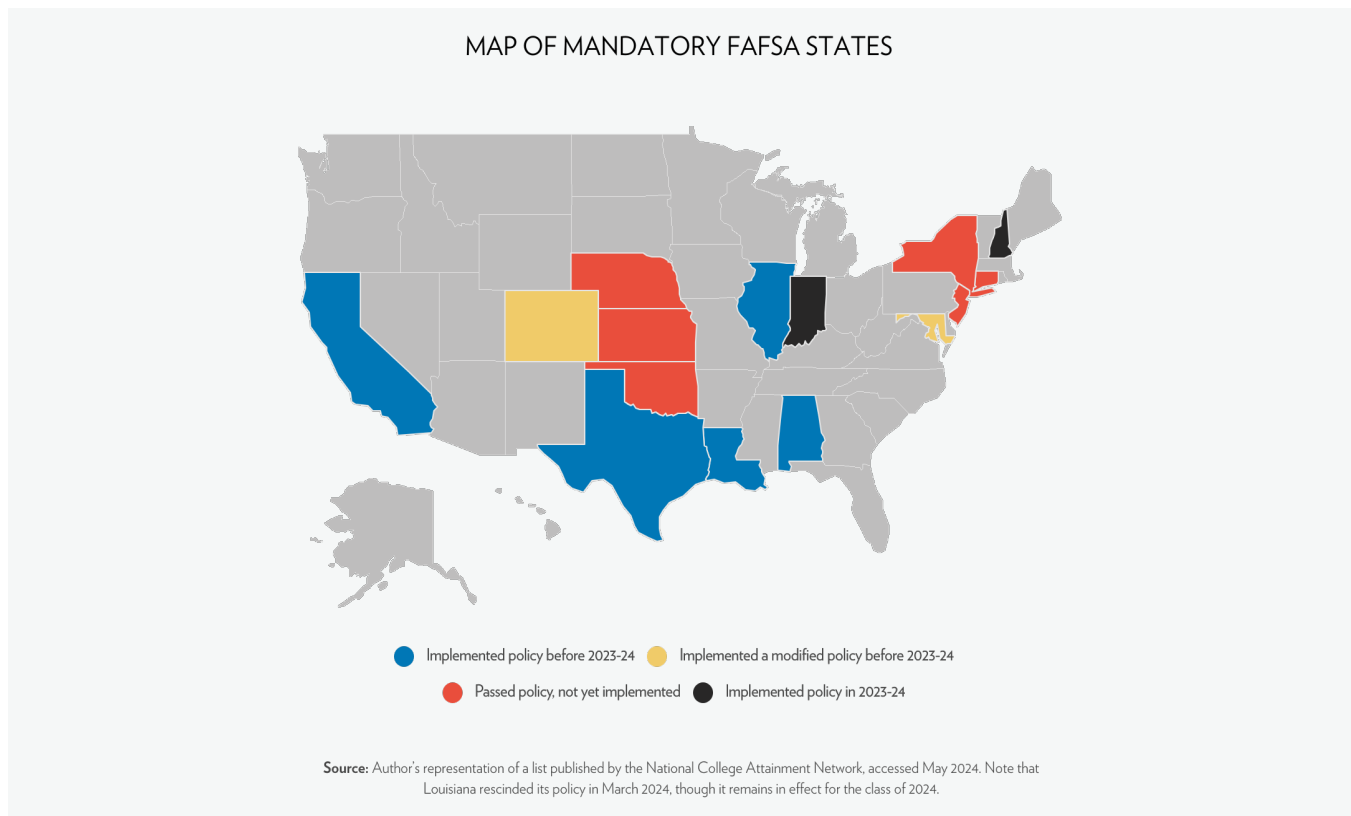
Issues with the FAFSA rollout have led fewer students to complete the FAFSA, but it has also meant that students

have completed the FAFSA very late in the process. This is especially true in states that require the FAFSA as a graduation requirement, which enroll three in ten public twelfth grade students.²⁷

Background on Mandatory FAFSA States

Beginning with Louisiana in 2017, a growing number of states have passed laws requiring that twelfth-grade students either apply for financial aid or expressly opt out before they graduate. (See Figure 13.)

FIGURE 13



A mandatory FAFSA requirement for graduation is a light-touch policy intervention that signals the importance of the FAFSA to students, and it has corresponded to large increases in FAFSA completions after states adopt these policies, with some states seeing as much as a 20 percent increase.²⁸ In the first year of their policy implementations, Alabama saw 5,600 more FAFSAs completed than the prior year; Louisiana saw 6,600 more; California saw 30,000 more; and Texas saw 46,000 more.²⁹ Illinois first implemented its policy in the 2020–21 school year and saw a 4.6 percent increase in its FAFSA completions in a year when the nation overall saw a 4.5 percent decrease. New Hampshire and Indiana implemented their new policies for the first time this year.

[Earlier research](#)³⁰ has found that Louisiana’s policy helped close the gap in FAFSA completions by income, a trend that may carry over to other states.³¹ Although there is some evidence that these policies may help more college students access the Pell Grant,³² there is not yet any clear evidence that the policies broadly lead to more students enrolling in college who otherwise would not. It can be inferred, then,

that mandatory FAFSA states in previous years likely saw a large number of FAFSAs from students who did not ultimately enroll in college that fall.

Comparing FAFSA Completion in Mandatory FAFSA States versus Rest of the United States

After initially showing [some of the nation’s largest dropoffs](#) in FAFSA completion at the end of March, some of the mandatory FAFSA states have made up significant ground.³³ Five of the seven states—California, Illinois, Indiana, New Hampshire, and Texas—are all currently in the one-third of states with the smallest year-over-year declines in completed FAFSAs.³⁴

But the fact that much of the progress in these states came in April and May comes with its own set of pitfalls. A student in a mandatory FAFSA state who has submitted a FAFSA is 28 percent more likely to have submitted it in April or May, as compared to non-mandate states, suggesting the graduation deadline may have played a role for a large share of students.³⁵

If this is true, then these states' contributions to the changes in gaps by income, education, and race need to be examined, because it is possible that many of these late completers are simply complying with the mandate without intending to go to college. This holds especially true for gaps based on race, since the seven states comprise nearly half (49.5 percent) of the nation's Hispanic population, as compared to their smaller share of the population overall (29.9 percent).³⁶

Figures 14–16 rerun the analysis of FAFSA submission rates by month, separating the seven mandatory FAFSA states from the rest of the United States before calculating quintiles by demographics. They show that mandatory FAFSA states contributed an outsized amount to shrinking gaps by income, education, and race. For example, whereas the nation overall shows that gaps by race have closed, the gaps have not yet closed when looking strictly at the forty-three states without a graduation requirement.

FIGURE 14

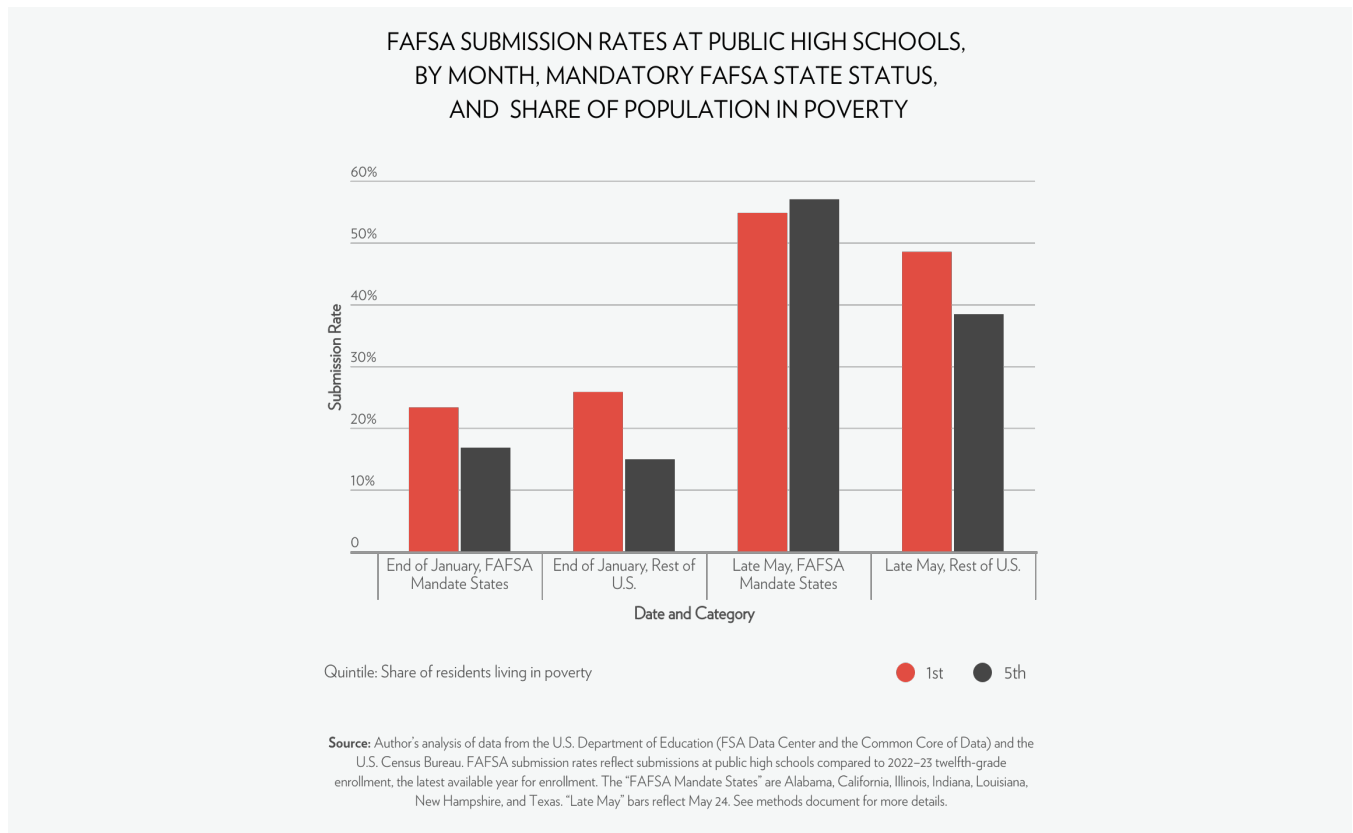


FIGURE 15

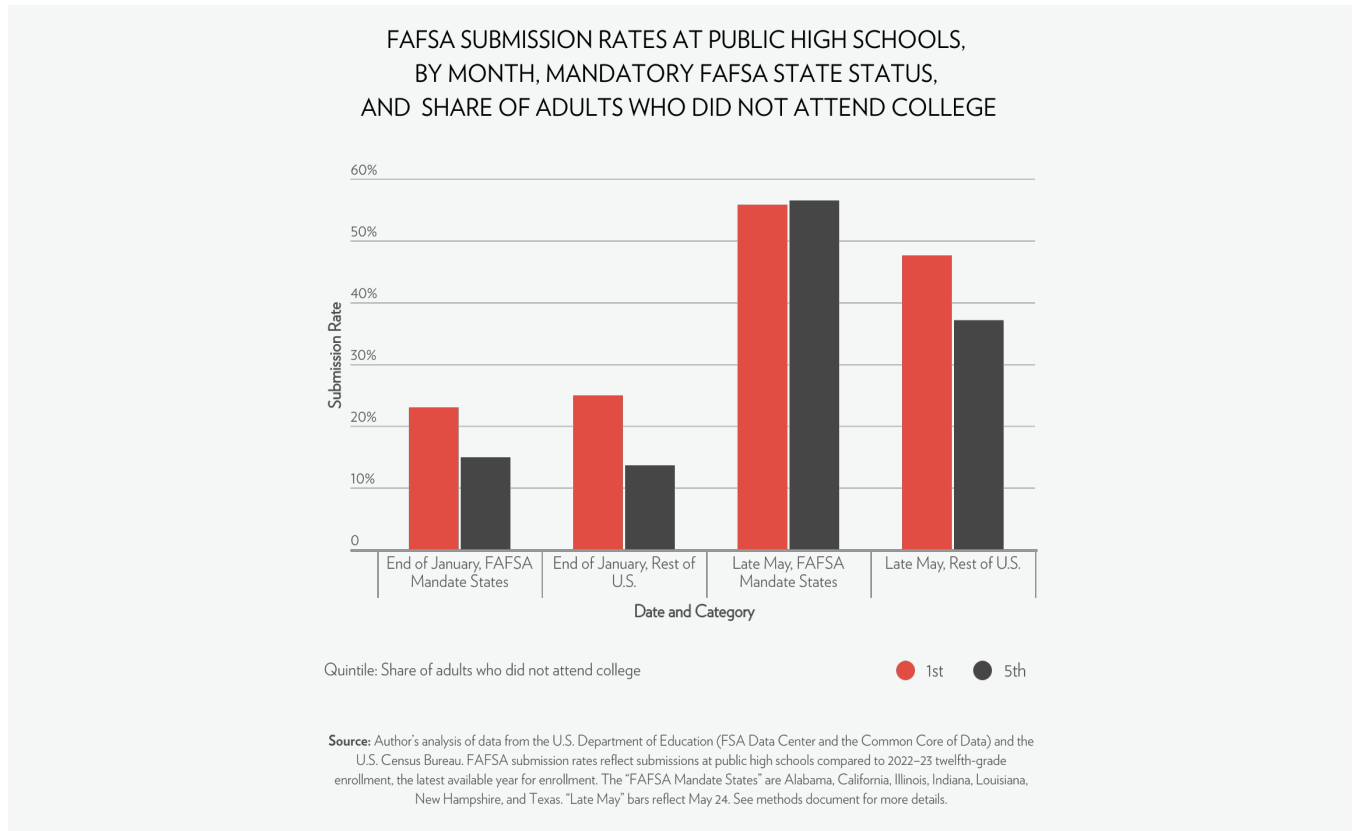
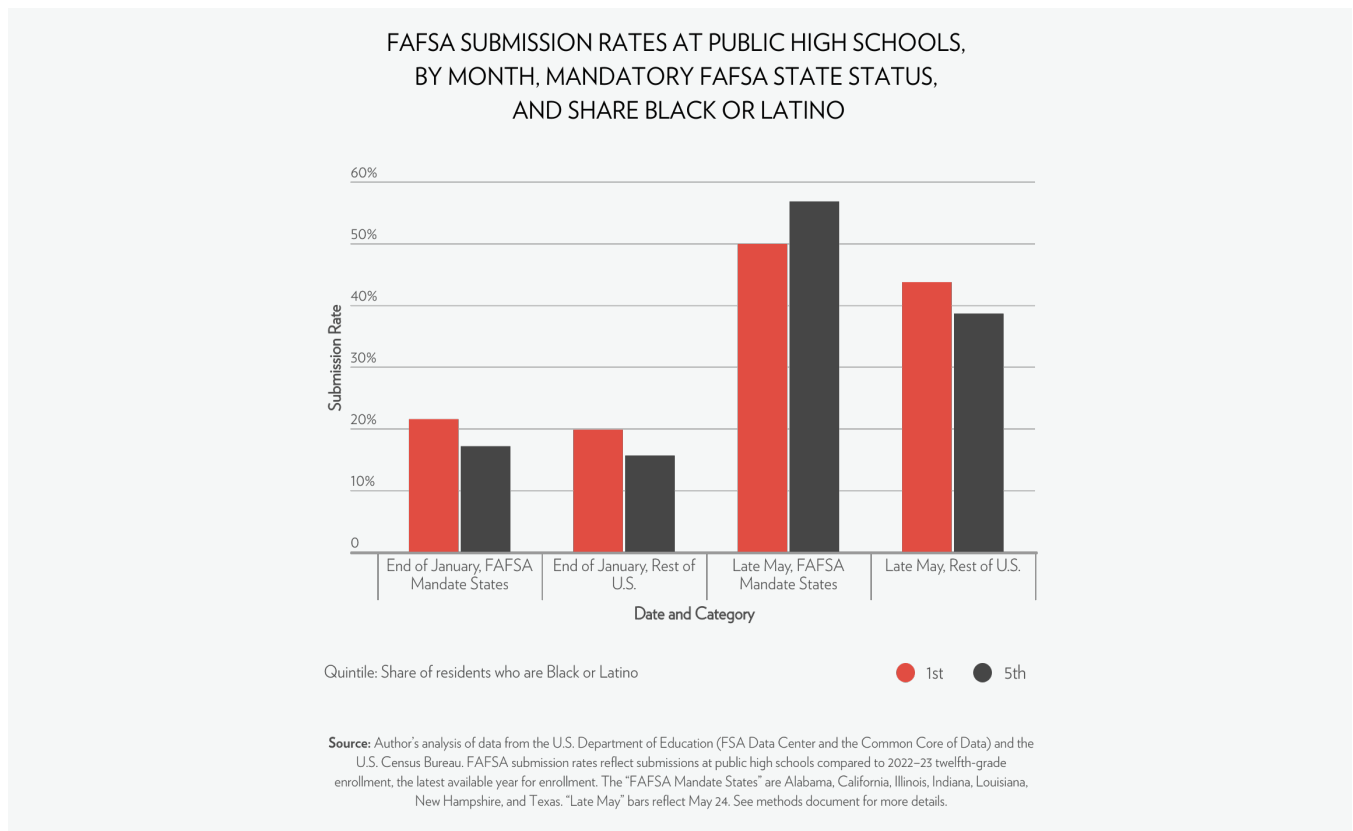


FIGURE 16



On the one hand, these states' improvements in April and May have helped boost the nationwide FAFSA completion rate, and they have helped shrink gaps based on income, education, and race. And setting aside the question of whether these students will attend college in the fall, it is a good thing that graduation requirements help students understand the FAFSA, because even those who don't enroll in college immediately may consider it again in the future.

But a potential dropoff in college enrollment looms large over these trends. While a late surge in FAFSA completion in these states is good news—every completed FAFSA makes another student aware of their financial aid eligibility—students in these states may be less likely to be seriously considering college. The recent FAFSA completers in these states have had very little time to factor financial aid eligibility into their potential college plans.

Because the national decline in FAFSA has been softened by strong late-spring performance in the seven mandatory FAFSA states, it is possible that the national decline in FAFSA completions actually understates a potential impact on college enrollment.

How Will the Coming Months Play Out?

Predicting how this year's FAFSA cycle will play out, after all its unpredictability so far, is likely impossible. However, past cycles offer some indications of potential bounds.

This year's cycle is not a normal one, featuring a three-month launch delay, intermittent access for ten days after the launch on December 30, and then an ongoing need for technical fixes. For the previous six cycles, the FAFSA has

opened on October 1, but looking back to the cycle for the class of 2017 finds the most recent previous example of the FAFSA opening on January 1.

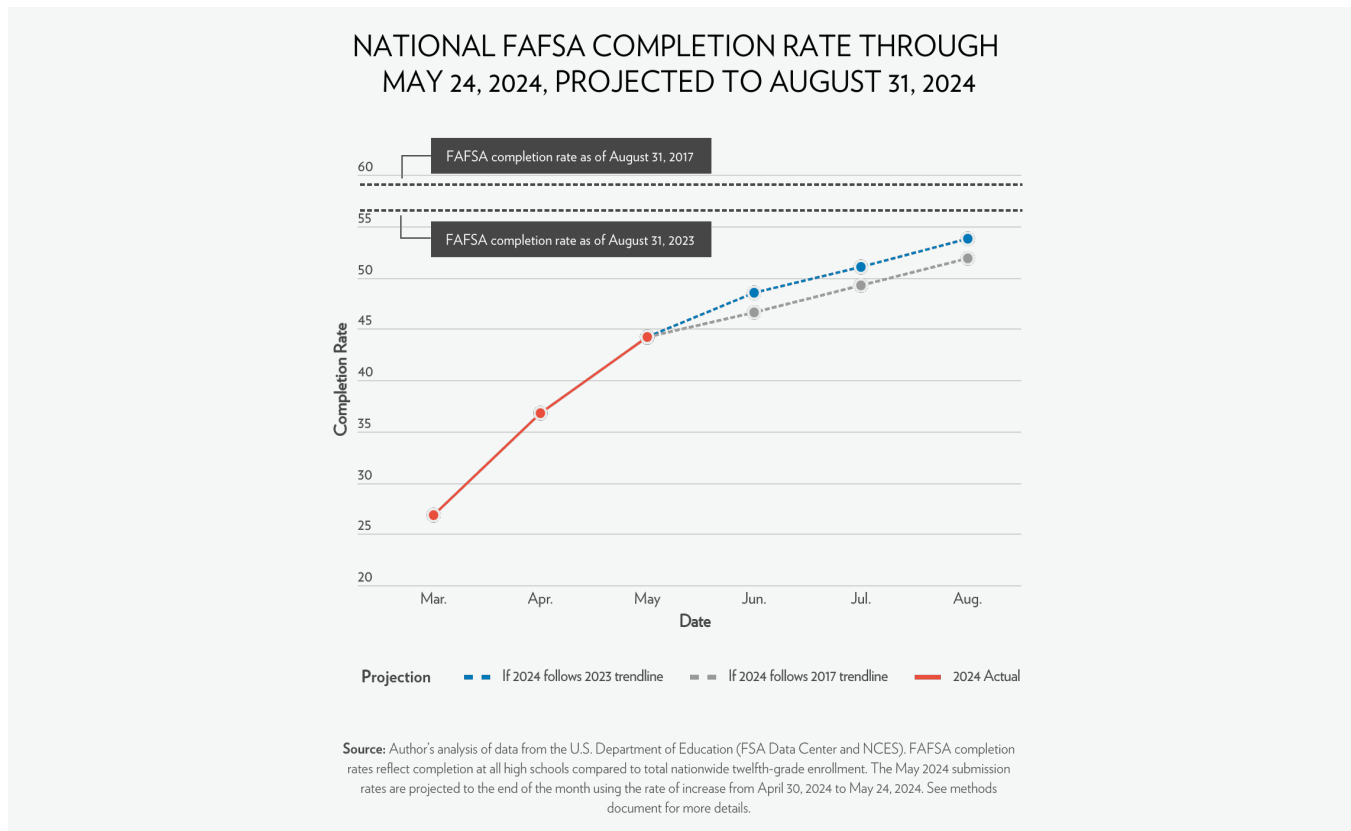
Depending on how the coming months play out, this FAFSA cycle could be looked at in one of two ways.

- The cycle for the class of 2024 might be thought of as being like a version of the cycle for the class of 2017, in which the form did not open until January and new FAFSAs declined after a few months—but, in 2024, with a downward shift in the trend line due to problems with the rollout. If this is the case, the FAFSA completion rate would be expected to land around 51.9 percent by the end of August.³⁷
- Alternatively, the cycle might be thought of as being more like a version of the cycle for the class of 2023, in which submissions opened around 20 percent in the first month but then increased over the next eight months—but, in 2024, with a temporal shift in the trend line due to the delayed launch. If this is the case, the FAFSA completion rate would be expected to land around 53.8 percent by the end of August.³⁸

Fortunately, the 2024 cycle is currently trending closer to the latter. April and May 2024 saw more than three times as many new FAFSAs as April and May 2023. Whether such momentum can be maintained through the summer remains to be seen.

Figure 17 shows that the range of possibilities still falls short of comparison years. However, the dropoff from prior years could be roughly one-third smaller if the next few months keep pace with months six, seven, and eight of the cycle for the class of 2023.

FIGURE 17



The fact that the momentum in April and May was higher than either comparison year should be cause for cautious optimism. But even still, the best-case scenario of 53.8 percent would be a significant setback compared to the previous year, which had a completion rate of 56.7 percent as of August 2023; in that scenario, roughly 121,000 fewer students would have learned what their student aid package could be compared to last year.³⁹ In the worst-case scenario of 51.9 percent, the decline would approach 200,000 fewer FAFSAs.⁴⁰

Implications for College Enrollment and Completion

The longest-lasting impacts of FAFSA non-completion this year will likely be [its effects on college attendance](#).⁴¹ Evidence shows that assistance to make the FAFSA process easier for families increases college enrollment;⁴² therefore, by extension, a more difficult FAFSA process will likely result in some number of students not enrolling. While FAFSA completion in and of itself is not necessarily an indicator of

college-going intent, it is a bellwether for whether a student is on track to make a well-informed decision about life after high school.

An individual's decision not to enroll this year may be lasting. While many students enroll in college after taking years off from school, one longitudinal study finds that around 40 percent of high school seniors who did not immediately enroll after college still had not done so after eight years.⁴³ For around one-third of students who don't attend immediately after high school, the decision not to enroll is at least partially about finances.⁴⁴ And so, each data point discussed in this report is also the record of a high school senior deciding to pursue—or not pursue—higher education. Many of the students who do not complete the FAFSA may be closing off the avenue to college for the rest of their lives.

FAFSA Completion Gaps Mirror Existing Attainment Gaps

Individual decisions by students not to attend college add

up to lasting economic concerns for the communities seeing the greatest dropoffs. Analysis of Census Bureau data shows those communities already trail the national average for college attainment:

- Communities in the top quintile by the share of residents living in poverty have about one-fifth fewer bachelor’s degrees per capita than the nation overall.⁴⁵
- Communities in the top quintile by the share of non-college adults have about one-half fewer bachelor’s degrees per capita than the nation overall.⁴⁶

- Communities in the top quintile by the Black and Latino share of adults have about one-third fewer bachelor’s degrees per capita than the nation overall.⁴⁷

Attainment gaps start as enrollment and completion gaps. A longitudinal study of the high school class of 2012 shows that demographic groups do not enroll in college at equal rates, and even those who do enroll do not reach the same degree attainment levels. (See Table 3.) Students whose families earned under \$55,000, students whose parents did not attend college, and students who are Black or Hispanic saw lower enrollment rates compared to their peers, and even those who did enroll had lower median attainment.

TABLE 3: ESTIMATED DATE OF FAFSA SUBMISSION FOR THE MEDIAN PUBLIC HIGH SCHOOL STUDENT WHO SUBMITTED ONE, CLASS OF 2023 VERSUS CLASS OF 2024, BY COMMUNITY DEMOGRAPHIC

Student demographics	Share who enrolled in college within four years of high school	Of those who enrolled in college, median attainment nine years after high school
Overall	70.1%	Associate’s degree
Comparisons by family income		
Family income: Above \$115,000	87.2%	Bachelor’s degree
Family income: \$75,000 to \$115,000	81.9%	Bachelor’s degree
Family income: \$55,000 to \$75,000	73.3%	Associate’s degree
Family income: \$35,000 to \$55,000	68.1%	Postsecondary certificate/diploma
Family income: Under \$35,000	59.2%	No postsecondary credential
Comparisons by parental education level		
Parents had bachelor’s degree or higher	85.7%	Bachelor’s degree
Parents had college credential below B.A.	71.5%	Postsecondary certificate/diploma
Parents had high school credential or lower	59.8%	Postsecondary certificate/diploma
Comparisons by race and ethnicity		
Asian	84.6%	Bachelor’s degree
White	73.7%	Bachelor’s degree
Hispanic	66.4%	Postsecondary certificate/diploma
Black	61.2%	No postsecondary credential
<small>Source: Author’s analysis of data from the High School Longitudinal Study of 2009, accessed via NCES Datalab, table retrieval code bthjol, and from Elizabeth D. Cohen, Huade Huo, Katherine Guyot, and Colleen Gaffney (2024), “High School Longitudinal Study of 2009 (HLS:09): A First Look at the 2021 Postsecondary Enrollment, Completion, and Financial Aid Outcomes of Fall 2009 Ninth-Graders (NCES 2024-022),” U.S. Department of Education, National Center for Education Statistics, April 2024, https://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2024022.</small>		

Financial aid does not only help a student enroll: it also helps them complete their program. If FAFSA completion gaps this year widen enrollment and completion gaps, it could further hamper already-vulnerable communities.

How FAFSA Completion Gaps May Become Enrollment Gaps

Although the effects on enrollment [may not be fully known until late summer](#), trends in who is completing the FAFSA can offer indications about how wide-ranging any potential declines in enrollment may be.⁴⁸ Figures 18–20 below

shows the FAFSA submission rates for the top and bottom quintiles by demographic factors in the class of 2023 and the class of 2024, by month. What is readily apparent is that—for all three demographic factors—not only do the submission rates for even the top quintiles in 2024 significantly trail those for the bottom quintiles in 2023, but also gaps in submission rates between top and bottom quintiles increased in 2024. Low-attainment, low-income communities currently trail high-attainment, high-income communities by even wider margins, and non-white communities now trail (rather than exceed) predominantly-white communities.

FIGURE 18

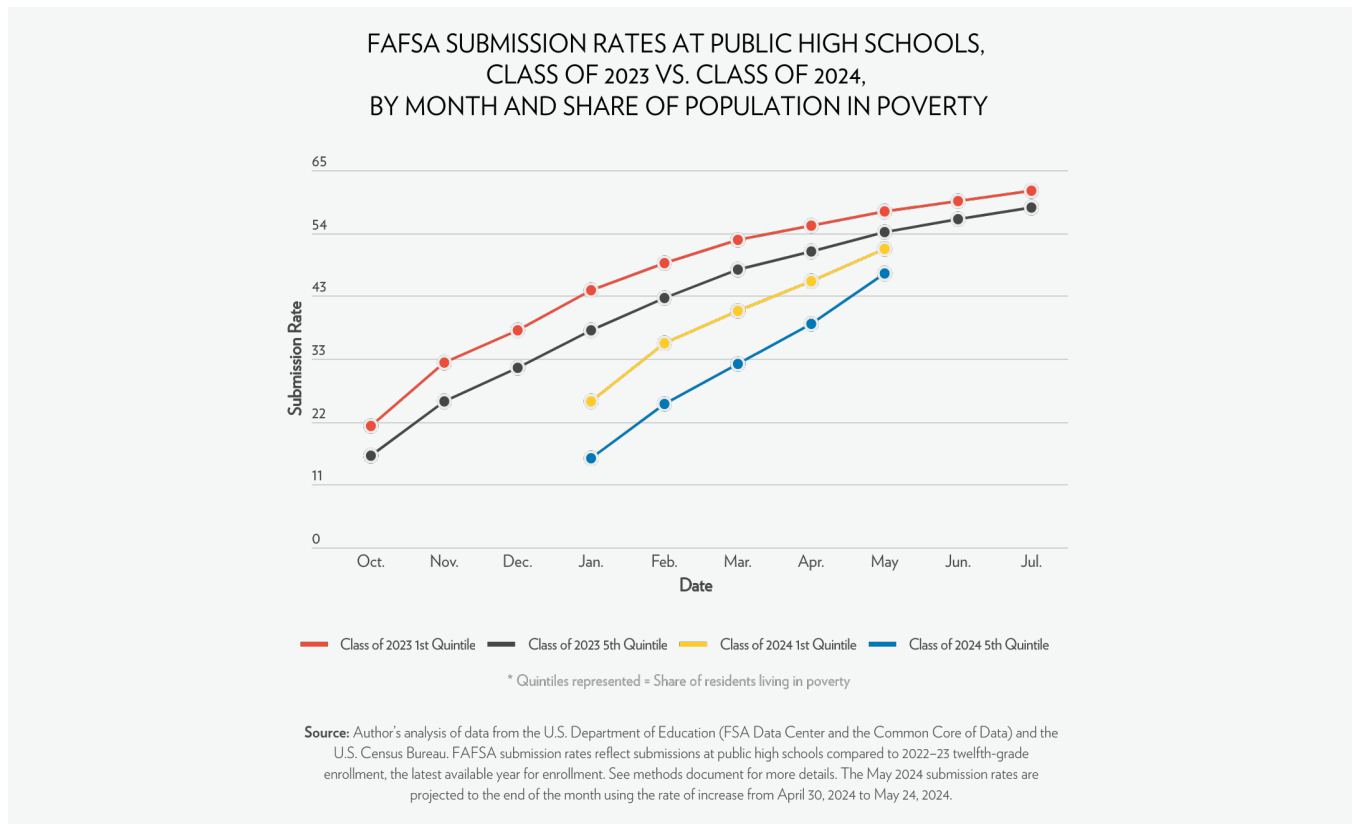
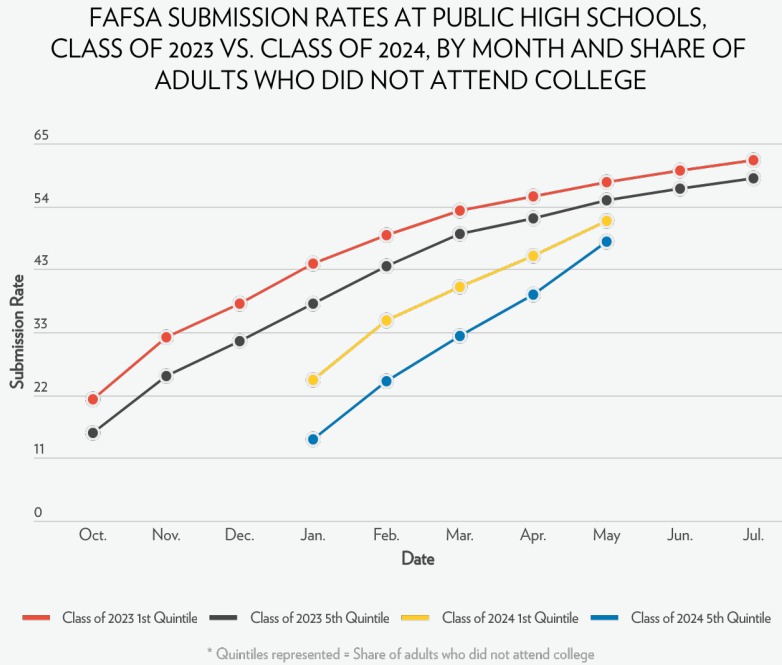
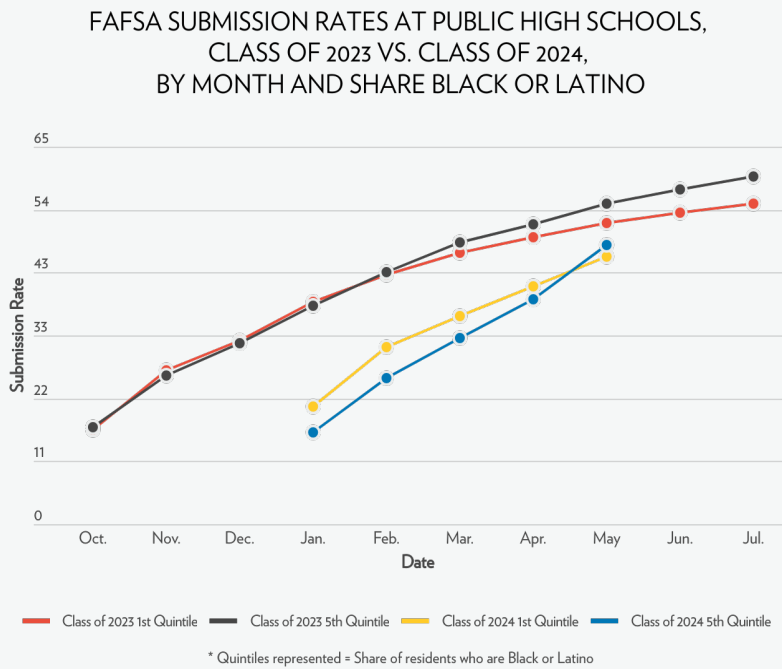


FIGURE 19



Source: Author's analysis of data from the U.S. Department of Education (FSA Data Center and the Common Core of Data) and the U.S. Census Bureau. FAFSA submission rates reflect submissions at public high schools compared to 2022–23 twelfth-grade enrollment, the latest available year for enrollment. See methods document for more details. The May 2024 submission rates are projected to the end of the month using the rate of increase from April 30, 2024 to May 24, 2024.

FIGURE 20



Source: Author's analysis of data from the U.S. Department of Education (FSA Data Center and the Common Core of Data) and the U.S. Census Bureau. FAFSA submission rates reflect submissions at public high schools compared to 2022–23 twelfth-grade enrollment, the latest available year for enrollment. See methods document for more details. The May 2024 submission rates are projected to the end of the month using the rate of increase from April 30, 2024 to May 24, 2024.

The strong dropoffs among low-income communities should be of great concern to colleges that primarily serve lower-income students. But, additionally, the fact that the highest-income communities have not even reached the FAFSA submission rates of the lowest-income communities of the class of 2023 suggests that hits to enrollment may not be limited to colleges that primarily serve lower-income students. Even those whose student bodies lean higher-income, such as public flagship institutions and private nonprofit colleges, may see some declines. Even if they do not see declines, they may not fill their seats with the students that they had anticipated serving, given that a smaller applicant pool overall could more heavily impact less-prestigious colleges who lack the high yield rates of selective elite institutions.⁴⁹

If FAFSA filing is a signal for the ability to make an informed decision about college enrollment, then higher-income students' FAFSA submission rates in the class of 2024 equaling lower-income students' FAFSA submission rates in the class of 2023 would signal that even some higher-income students who in normal years would be expected to enroll are now considering alternative paths.⁵⁰

In other words, all of higher education should be prepared for a potential hit to enrollment, especially—but not limited to—those that predominantly serve low-income students. It is too soon to know how much of an enrollment decline will materialize. However, it is not too early to recognize the perils of an enrollment decline. Many community and regional colleges, long under-invested in by their counties and states, would struggle to withstand a sudden decline in enrollment. For those colleges, fewer students enrolling would likely require greater faculty and staff layoffs, unless the institutions receive outside help.

Colleges saw large drops in enrollment during the pandemic, with the worst declines at community colleges, which lost [800,000 students](#) between 2020 and 2021.⁵¹ In those years, colleges were prepared to withstand pandemic-era enrollment declines thanks to federal support via the Higher Education Emergency Relief Fund (HEERF), [a pipeline of funding that funneled \\$76 billion of assistance to higher](#)

[education institutions](#).⁵²

However, 2024 is not 2020 or 2021. Colleges have no such safety net now. But the success of HEERF points to the vital importance of federal investment at a time when fewer students enroll. If a significant enrollment decline materializes this fall, Congress may have to step in once more.

Recommendations and Key Takeaways

Linking FAFSA datasets to Census Bureau datasets on the demographics of American communities confirms that FAFSA completion has fallen most severely for communities that not only are already under-represented in higher education, but also tend to need student financial aid the most. Boosting their FAFSA completion rates will depend on achieving summer-month FAFSA completion rates higher than those seen in recent memory. Any significant dropoff over previous years will likely translate into enrollment declines across higher education, with the potential to widen gaps in attainment across American communities.

The Imperative of Maintaining Momentum

For those looking for silver linings in the demographic trends, the analysis in this report offers some glimmers of improvement, showing that FAFSA completion gaps by race, education, and income are slowly closing after startlingly unequal results in January. The Department of Education has [made \\$50 million available](#) to support states, school districts, and community groups helping students and families complete the FAFSA, along with earlier-announced efforts to [assist colleges with form processing](#).⁵³ To continue this progress, wherever and however possible, the department should ensure that active investment in community resources is done in ways that seek to close the biggest gaps identified in this report and to boost completion among communities that tend to require student financial aid the most. Students and families who complete the form later in the spring will need extra support to navigate college enrollment, especially in mandatory FAFSA states where submissions have come closer to high school graduation. Furthermore, the colleges themselves should be aware

of the impact that FAFSA completion gaps will have on their ability to enroll the students they want to serve and should continue their efforts to address those gaps however they can.

The declines in completion also are not evenly spread across America's regions. Knowing which geographic areas are experiencing the highest dropoffs can help federal and state leaders triage support, as part of the ongoing effort to stem the losses. Below, Appendix 1 lists the twenty-five geographic areas seeing the highest dropoffs from May 24, 2023 to May 24, 2024, grouped by the first three digits of high schools' ZIP codes. (See Table A1.) Appendix 1 also lists the twenty-five geographic areas seeing the greatest increases from March 29, 2024 to May 24, 2024, acknowledging that ground can be made up, in many cases the result of concerted efforts to boost FAFSA completion. (See Table A2.)

The Need to Prepare for Enrollment Declines

In April, [leaders in Congress reprimanded the Department of Education](#) for not sounding the alarm bells sooner about the problems with the new FAFSA.⁵⁴ They now have their own alarm bell to respond to. Congress must prepare for the worst-case scenario, one in which colleges' ability to serve their students is compromised by enrollment declines.

Congress should work now to prepare legislation securing funds to help colleges, particularly community and regional colleges, make up for lost revenue in the coming years as this smaller class of students advances through their programs. The funds would not only shield colleges from having to scale back their services, but would also enable the colleges to strengthen outreach to their surrounding communities and help young adults reconnect with higher education.

And of course, state university systems and the colleges themselves should begin preparing now for potential enrollment declines. Much like Congress, state legislatures should closely monitor the need for additional support for their public colleges.

What the FAFSA Fallout Tells Us about American Higher Education

As a nation, we have let the price of college rise perilously over what most families could afford on their own. For many students, grant aid helps fill the gap—but only if they can access those grants. Funding the whole system of higher education relies heavily on students accessing financial aid through the FAFSA: it was not meant to operate with a flawed or delayed FAFSA, much less both. The lasting impacts of this cornerstone being shaken are only beginning to emerge for colleges, but will become more apparent once fall enrollment is complete and this class of students progress through their programs. Meanwhile, those students whose college enrollment may have been derailed by challenges in completing the FAFSA this year may never recover.

Congress authorized FAFSA simplification because of how much higher education access depends on financial aid. Ironically, the FAFSA fallout may confirm that their instinct was correct, that students cannot find affordable college options without the FAFSA. FAFSA completion rates will eventually return to normal, whether in 2024 or later. But when that happens, we must ask what other consequences of our high-cost system of higher education await us as a country—and what can still be done to reverse course.

The author would like to thank the following peers and colleagues for their helpful feedback on an earlier draft of this report: Laura Keane, Bill DeBaun of the National College Attainment Network, Wil del Pilar and Sayda Martinez-Alvarado of the Education Trust, and Halley Potter, Amber Villalobos, and Carolyn Fast of The Century Foundation (TCF). The author thanks the Joyce Foundation for supporting TCF's research on FAFSA completion.

The code and datasets used for the original analysis in this report can be found at this [GitHub repository](#). The methods used are detailed [here](#).

Author

Peter Granville is a fellow at The Century Foundation, studying federal and state policy efforts to improve college access and affordability.

Notes

1 Jennifer Ma and Matea Pender, “Trends in College Pricing and Student Aid 2023,” The College Board, 2023, Table SA-1.

2 Ibid.

3 Katherine Knott, “FAFSA Launch Officially Delayed,” Inside Higher Ed, March 22, 2023; Katherine Knott and Liam Knox, “The New FAFSA Is Here. Or Is It?,” Inside Higher Ed, January 3, 2024; Danielle Douglas-Gabriel, “Families, colleges to wait longer for financial aid info due to FAFSA fix,” Washington Post, January 30, 2024; Eric Hoover, “A FAFSA Fix for the Most Vulnerable Families Is a Work in Progress,” Chronicle of Higher Education, March 14, 2024; Kalyn Belsha, “A glitch blocks thousands of immigrant families from a new, simpler FAFSA. The fix is TBD.,” Chalkbeat, January 25, 2024; Liam Knox, “FAFSA Timeline Delayed Again,” Inside Higher Ed, March 26, 2024.

4 From 2,068,239 to 1,770,983. Source: Author’s analysis of FAFSA completion data from the FSA Data Center, reflecting May 24, 2023 and May 24, 2024, respectively.

5 “Over Half of Financial Aid Professionals Likely to Seek New Employment in the Next Year,” National Association of Student Financial Aid Administrators, May 8, 2024, https://www.nasfaa.org/over_half_of_financial_aid_professionals_likely_to_seek_new_employment_in_the_next_year.

6 “NCAN’s FAFSA Tracker - 2024–25 Cycle,” National College Attainment Network, n.d., accessed June 12, 2024, <https://www.ncan.org/page/FAFSATracker>.

7 This refers to public high schools with ZIP Codes beginning with 33.

8 This refers to public high schools with ZIP Codes beginning with 87, 39, 73, and both 25 and 26, respectively.

9 “NCAN’s FAFSA Tracker - 2024–25 Cycle,” National College Attainment Network, n.d., accessed April 2024, <https://www.ncan.org/page/FAFSATracker>.

10 Phil Hill and Glenda Morgan, “Visualizing FAFSA Fiasco by Geography,” Phil Hill on Ed Tech, April 9, 2024, <https://onedtech.philhill.com/p/checking-assumptions-fafsa-fiasco-demographics>.

11 See Appendix 2: Methods and Data Sources for more information.

12 Although many deadlines for state aid, institutional aid, and private scholarships occur during the spring, the federal government allows a student to apply for and receive a Pell Grant and federal student loans up until the end of the academic year for which the student seeks federal financial aid. In other words, colleges and college access networks could help students who did not complete the FAFSA before enrolling, through the 2024–25 year.

13 Liam Knox and Katherine Knott, “A Last-Minute Sprint to the FAFSA Finish Line,” Inside Higher Ed, May 16, 2024, <https://www.insidehighered.com/news/admissions/traditional-age/2024/05/16/education-departments-50-million-fafsa-completion-push>.

14 These percentages reflect the top 20 percent and bottom 20 percent of communities.

15 FAFSA dropoffs rounded to the nearest 100. Twelfth-grade enrollment rounded to the nearest 1,000.

16 From 297,938 to 217,861.

17 From 244,699 to 176,409.

18 From 486,231 to 353,263.

19 This analysis uses 2022–23 enrollment data, the latest available, as a proxy for 2023–24 enrollment.

20 These percentages reflect the top 20 percent and bottom 20 percent of communities.

21 Also see Figure 18 in this report.

22 Liam Knox, “FAFSA Completion Down 40 Percent,” Inside Higher Ed, April 9, 2024.

23 Dating back to the class of 2017, total FAFSAs newly completed in the months of April and May are as follows: for the class of 2017, 209,438; for the class of 2018, 208,429; for the class of 2019, 211,333; for the class of 2020, 161,772; for the class of 2021, 183,092; for the class of 2022, 222,165; for the class of 2023, 221,053. Source: author’s analysis of data from the FSA Data Center.

24 Author’s analysis of FAFSA submission data from the FSA Data Center. See methods document for details.

25 Ibid.

26 Jessica Dickler, “‘This is make or break’ — students are still waiting on financial aid days ahead of National College Decision Day,” CNBC, April 15, 2024.

27 Alabama, California, Illinois, Indiana, Louisiana, New Hampshire, and Texas comprise 1,192,200 public high school twelfth grade students, out of a 3,663,282 total nationwide. Source: Author’s analysis of data from the U.S. Department of Education, Common Core of Data.

28 Colorado and Maryland have enacted policies with major design modifications that soften the nudge on students and schools, and they have not seen similar increases.

29 Author’s analysis of FAFSA completions, as of July 31 of each relevant year, via the FSA Data Center.

30 Peter Granville, “Should States Make the FAFSA Mandatory?,” The Century Foundation, July 29, 2020, <https://tcf.org/content/report/states-make-fafsa-mandatory/>.

31 Forthcoming TCF research will examine this question.

32 From the 2017–18 award year to the 2018–19 award year, Louisiana colleges’ total Pell Grant dollars received rose 6.6 percent. By comparison, the U.S. overall saw a 1.0 percent decrease in total Pell Grant dollars received that year. Source: author’s analysis of data from the FSA Data Center.

33 Phil Hill and Glenda Morgan, “Visualizing FAFSA Fiasco by Geography,” Phil Hill on Ed Tech, April 9, 2024, <https://onedtech.philhill.com/p/checking-assumptions-fafsa-fiasco-demographics>

34 As of the FAFSA completion data reflecting May 24, 2024, Indiana ranks 1st, New Hampshire ranks 4th, California ranks 10th, Texas ranks 15th, and Illinois ranks 16th in the year-over-year declines, where a rank of one would signify the best-performing state. However, Louisiana ranks 39th and Alabama ranks last. Source: “NCAN’s FAFSA Tracker,” Washington, DC: National College Attainment Network, n.d., accessed June 5, 2024, <https://www.ncan.org/page/FAFSATracker>

35 Author’s analysis of FAFSA data, comparing submissions as of March 29, 2024 to May 24, 2024. Of the 710,416 FAFSAs submitted in mandatory FAFSA states by May 24, 197,442 (27.8 percent) were submitted after March 29. Of the 1,191,034 FAFSAs submitted in the rest of the U.S. by May 24, 257,676 (21.6 percent) were submitted after March 29.

36 Author’s analysis of Census Bureau data.

37 To reach this estimate, the analysis adds the increases in the FAFSA completion rate from May 31, 2017 to August 31, 2017 onto projections of the completion rate as of May 31, 2024.

38 To reach this estimate, the analysis adds the increases in the FAFSA completion rate from month 5 (May 31, 2023) to August 31, 2023 onto projections of the completion rate as of May 31, 2024.

39 Specifically, an estimated 120,672.

40 Specifically, an estimated 197,978

41 Katharine Meyer, “FAFSA rollout means fewer students will enroll in college next year,” The Brookings Institution, May 7, 2024, <https://www.brookings.edu/articles/fafsa-rollout-means-fewer-students-will-enroll-in-college-next-year/>.

42 Eric Bettinger, B. T. Long, Philip Oreopoulos, and Lisa Sanbonmatsu, “The Role of Application Assistance and Information in College Decisions: Results from the H&R Block FAFSA Experiment,” Quarterly Journal of Economics 127, no. 3 (2012).

43 Source: Author’s analysis of data from the Education Longitudinal Study of 2002 via NCES Datalab, accessed May 2024, retrieval code fyvkfd.

44 Source: Author’s analysis of data from the Education Longitudinal Study of 2002 via NCES Datalab, accessed May 2024, retrieval code sggvak.

45 Source: Ibid. Looking strictly at adults aged 25 to 49, the nation overall has 373 bachelor’s degree holders per 1,000 adults, and the PUMAs in the top quintile by the share of people in living poverty have 295 bachelor’s degree holders per 1,000 adults.

46 Source: Ibid. Looking strictly at adults aged 25 to 49, the nation overall has 373 bachelor’s degree holders per 1,000 adults, and the PUMAs in the top quintile by the share of non-college adults have 201 bachelor’s degree holders per 1,000 adults.

47 Source: Author’s analysis of Public Use Microdata Areas (PUMAs) via the

American Community Survey (ACS) Public Use Microdata Sample (PUMS), 2017-2021 five-year sample. See methods document for more details. Looking strictly at adults aged 25 to 49, the nation overall has 373 bachelor's degree holders per 1,000 adults, and the PUMAs in the top quintile by the share of residents who are Black or Latino have 256 bachelor's degree holders per 1,000 adults.

48 Maria Carrasco, "How Many Students Did We Lose? Aid Offices Fear Enrollment Repercussions After Rocky FAFSA Rollout," National Association of Student Financial Aid Administrators, May 20, 2024, https://www.nasfaa.org/news-item/33707/_How_Many_Students_Did_We_Lose_Aid_Offices_Fear_Enrollment_Repercussions_After_Rocky_FAFSA_Rollout.

49 Fewer FAFSAs means a smaller pool for selective colleges to accept from. If there are fewer overall applicants of color, applicants from non-college households, and applicants from low-income households, then overall enrollment would trend that way, but not equally at all levels. A selective college may find it easier to fill all seats given their name brand recognition and prestige; a less-selective college may enroll a class that is close to its normal size, but skewed in certain directions because the selective colleges "creamed" the pool; and an open-access college may enroll a smaller class with attribute distributions that are very different from their typical enrollment.

50 It is tempting to think some students from high-income families may have simply "skipped" the FAFSA this year without changing their college-going plans. However, the extremely high tuition sticker-prices of many selective colleges results in even wealthy students receiving "need-based" aid, creating an incentive for them to complete the FAFSA even if they will not qualify for the Pell Grant. For a recent example, see Josh Moody, "Inching Toward the \$100,000 Sticker Price," Inside Higher Ed, April 3, 2024, <https://www.insidehighered.com/news/business/revenue-strategies/2024/04/03/inching-toward-100000-sticker-price>.

51 See Figure 1.1 in "Current Term Enrollment Estimates," National Student Clearinghouse Research Center, n.d., accessed May 2024, <https://nscresearchcenter.org/current-term-enrollment-estimates/>.

52 "Education Stabilization Fund Programs Funded by the CARES Act, CRR-SAA, and ARPA: Background and Analysis," Congressional Research Service, February 1, 2022, <https://crsreports.congress.gov/product/pdf/R/R47027/5>.

53 "U.S. Department of Education Launches Next Phase of FAFSA Support Strategy to Boost Completion Rate Among High School Students," Washington, DC: U.S. Department of Education Press Office, May 6, 2024, <https://www.ed.gov/news/press-releases/us-department-education-launches-next-phase-fafsa-support-strategy-boost-completion-rate-among-high-school-students>; "U.S. Department of Education Deploys Federal Personnel, Funding, and Resources

to Support Colleges, Students, and Families with Better FAFSA®," Washington, DC: U.S. Department of Education Press Office, February 5, 2024, <https://www.ed.gov/news/press-releases/us-department-education-deploys-federal-personnel-funding-and-resources-support-colleges-students-and-families-better-fafsa-c2%AE>.

54 Katherine Knott, "Game-Changing Crisis': Lawmakers, Experts Vent FAFSA Frustrations," Inside Higher Ed, April 11, 2024, <https://www.insidehighered.com/news/government/student-aid-policy/2024/04/11/lawmakers-experts-vent-fafsa-frustrations>.

55 Because 90.8 percent of all American students are in public schools, and 72.8 percent of those children are in their assigned public school (typically based on their address), it follows that 80.2 percent of American children attending public schools attend their assigned school. Source: "Fast Facts: Public school choice programs," Washington, DC: National Center on Education Statistics, n.d., accessed May 2024, <https://nces.ed.gov/fastfacts/display.asp?id=6>.

56 Every ZIP Code is not necessarily an exact overlap with its corresponding ZCTA, but it is a sufficiently large overlap for ZCTAs to serve as a proxy for ZIP Code for research purposes. According to the Census Bureau, "For tabulation blocks that contain housing units, the ZCTA represents the ZIP Code associated with the most addresses in that block."

57 ZCTAs do not all have the same population size. Between 2018 and 2022, the median ZCTA had 11,212 residents, and half of all ZCTAs had between 3,497 and 27,827 residents (based on 25th and 75th percentiles). Source: Author's analysis of data from the U.S. Census Bureau.

58 The results in this report focus on communities' shares of Black or Latino residents. Results disaggregated by individual racial groups, including Native American, Asian, and Pacific Islander, can be found in this slide deck: <https://docs.google.com/presentation/d/1Zth8C8fy3XZDzAvStf8-rNxptimrYF-2/edit#slide=id.p1>.

59 In my research, I also examined a community's share of households with limited English proficiency, its share of residents who are foreign-born, its proximity to its nearest college, its schools' guidance counselors per student, and its schools' secondary guidance counselors per 12th grade student. Finding that race and ethnicity, educational attainment, and income and poverty appear to explain FAFSA declines better, I do not focus on other factors in this report, but I include the results from those factors in this slide deck: <https://docs.google.com/presentation/d/1Zth8C8fy3XZDzAvStf8-rNxptimrYF-2/edit?usp=sharing&ouid=104353421180543152306&rtpof=true&sd=true>.

Appendix I: Areas with Greatest Declines/Increases

TABLE A1: PERCENTAGE DECLINE IN PUBLIC HIGH SCHOOLS' FAFSA COMPLETIONS, MAY 24, 2024 VERSUS MAY 24, 2023, BY FIRST THREE DIGITS OF ZIP CODE

ZIP3	Location	Applications completed through May 24, 2024	Applications completed through May 24, 2023	Percentage decline, May 24, 2023 to May 24, 2024
739	Liberal, KS	85	166	-48.8%
143	Niagara Falls, NY	84	151	-44.4%
267	Cumberland, MD	146	249	-41.4%
592	Wolf Point, MT	137	232	-40.9%
187	Wilkes-Barre, PA	169	283	-40.3%
058	St. Johnsbury, VT	82	136	-39.7%
248	Welch, WV	128	209	-38.8%
679	Liberal, KS	136	218	-37.6%
289	Gainesville, GA	95	151	-37.1%
387	Greenville, MS	198	310	-36.1%
583	Devils Lake, ND	178	267	-33.3%
741	Tulsa, OK	939	1,379	-31.9%
139	Binghamton, NY	173	253	-31.6%
354	Tuscaloosa, AL	769	1,124	-31.6%
534	Racine, WI	267	387	-31.0%
268	Harrisonburg, VA	103	149	-30.9%
361	Montgomery, AL	549	793	-30.8%
638	Sikeston, MO	426	615	-30.7%
731	Oklahoma City, OK	1,903	2,712	-29.8%
367	Selma, AL	360	512	-29.7%
873	Gallup, NM	244	347	-29.7%
247	Bluefield, WV	176	250	-29.6%
737	Enid, OK	377	533	-29.3%
243	Pulaski, VA	421	593	-29.0%
250	Charleston, WV	246	345	-28.7%

Source: Author's analysis of data from the U.S. Department of Education (FSA Data Center and Common Core of Data), grouped by the first three digits of the high school's location ZIP code (ZIP3). Minimum 250 grade 12 students by ZIP3.

TABLE A2: PERCENTAGE INCREASE IN PUBLIC HIGH SCHOOLS' FAFSA COMPLETIONS, MAY 24 VERSUS MARCH 2024, BY FIRST THREE DIGITS OF ZIP CODE

ZIP3	Location	Applications completed through March 29, 2024	Applications completed through May 24, 2023	Increase, March 29, 2024 to May 24, 2024
997	Fairbanks, AK	345	136	154%
367	Selma, AL	360	151	138%
171	Harrisburg, PA	1,045	453	131%
739	Liberal, KS	85	39	118%
797	Midland, TX	2,419	1,116	117%
328	Orlando, FL	4,488	2,087	115%
924	San Bernardino, CA	1,543	718	115%
752	Dallas, TX	7,940	3,699	115%
927	Santa Ana, CA	4,267	2,018	111%
930	Ventura, CA	4,872	2,335	109%
387	Greenville, MS	198	96	106%
798	El Paso, TX	620	303	105%
935	Mojave, CA	2,878	1,411	104%
723	West Memphis, AR	533	264	102%
923	San Bernardino, CA	8,900	4,414	102%
464	Gary, IN	427	212	101%
187	Wilkes-Barre, PA	169	85	99%
466	South Bend, IN	462	233	98%
933	Bakersfield, CA	4,408	2,224	98%
939	Salinas, CA	2,905	1,466	98%
948	Richmond, CA	739	373	98%
718	Hope, AR	513	259	98%
330	Miami, FL	6,297	3,199	97%
616	Peoria, IL	612	312	96%
462	Indianapolis, IN	4,749	2,423	96%

Source: Author's analysis of data from the U.S. Department of Education (FSA Data Center and Common Core of Data), grouped by the first three digits of the high school's location ZIP code (ZIP3). Minimum 250 grade 12 students by ZIP3.

Appendix 2: Methods and Data Sources

Demographic information about individual FAFSA completers is not publicly available, but information on FAFSA completion by high school is. The United States has roughly 20,000 public high schools, the vast majority of which draw from their surrounding communities.⁵⁵ To explain FAFSA completion in terms of these factors, I draw from datasets from the U.S. Department of Education (ED) and the U.S. Census Bureau.

The Office of Federal Student Aid (FSA) maintains and updates a [public repository](#) of FAFSA completion datasets dating back to 2016, organized at the high school-level. The datasets provide the name, city, and state of the high school, along with total FAFSA completions and submissions by FAFSA cycle. Linking the datasets to directory and enrollment datasets from the [Common Core of Data \(CCD\)](#), ED's database on public elementary and secondary schools, I successfully derive the ZIP Code for 98 percent of all public high schools in the FAFSA datasets, representing 99 percent of FAFSA completions by high school seniors.

Once we know the ZIP Code of a high school, we can obtain demographic details about the surrounding community using the ZIP Code Tabulation Area (ZCTA). ZCTAs are units of geography used by the Census Bureau that

roughly map to ZIP codes used by the U.S. Postal Service.⁵⁶ Aggregating public high schools' FAFSA submissions and completions and 12th grade enrollment at the level of the ZIP Code, I link the totals to demographics at the level of the ZCTA.⁵⁷

For the analysis, I examine variables on race and ethnicity,⁵⁸ educational attainment, and income and poverty.⁵⁹ For each variable, I group ZCTAs by quintiles according to the demographic variable (that is, five groups with twenty percent of ZCTAs each), and I aggregate FAFSA statistics at the level of the quintile group.

For a full description of the methods I use in this analysis, see [here](#).