July 29, 2025

TO: Office of Information and Regulatory Affairs

Office of Management and Budget

THROUGH: Office of Chief Data Officer

U.S. Department of Education

FROM: Policy Implementation Division

Federal Student Aid, U.S. Department of Education

SUBJECT: Request for emergency clearance no later than August 3, 2025, for a revised FAFSA form incorporating updates which align with the One Big Beautiful Bill Act signed into law on July 4, 2025.

Pursuant to the Office of Management and Budget (OMB) procedures established at 5 C.F.R. part 1320, the U.S. Department of Education (Department) requests that the information collection 1845-0001, 2026-2027 Free Application for Federal Student Aid (FAFSA) form, be processed in accordance with 5 C.F.R. § 1320.13 Emergency Processing. We are requesting emergency approval no later than August 3, 2025, for 180 days. The Department will initiate the full clearance process shortly after approval of the emergency.

The Department is requesting emergency clearance to update the FAFSA form (1845-0001) so that it reflects changes made with the One Big Beautiful Bill (OBBB) Act. The resulting updated FAFSA form incorporates applicable changes to law.

FAFSA applicants are reasonably likely to experience undue hardship if the Department is unable to provide a form that complies with all current laws. Without this emergency clearance there could be significant delay to the opening of FAFSA beta testing and likely the FAFSA form launch for 2026-27, incorrect FAFSA applications with incorrect eligibility determinations, and potentially, the loss of taxpayer dollars.

**Information that Is Essential to the Mission of the Agency Is Needed on an Expedited Basis**

Section 483 of the Higher Education Act of 1965, as amended (HEA), mandates that the Secretary of Education “shall produce, distribute, and process free of charge common financial reporting forms as described in this subsection to be used for application and reapplication to determine the need and eligibility of a student for financial assistance....”

Federal Student Aid (FSA), an office of the U.S. Department of Education, developed an application process to collect and process the data necessary to determine a student’s eligibility to receive Title IV, HEA program assistance. The standard application process involves an applicant’s submission of the Free Application for Federal Student Aid (FAFSA®).

The Department was in the process of updating the FAFSA form to align with the full set of 2026-27 requirements, but before full clearance was obtained from OMB, the OBBB Act was signed into law. This resulted in a few small changes to the 2026-27 FAFSA form. Changes to the form include removing the word “legal” from the state and date of legal residence questions and updating the help text for the asset questions to instruct users not to include a family business with 100 or fewer full-time employees, farms where the family resides, or a commercial fishing business and related expenses.

With the priority to have confidence in the FAFSA application system, the Department seeks to test it from end to end using a phased approach. This beta testing is scheduled to begin August 3, 2025. This approach will allow for an initial small number of community-based organizations (CBOs), FAFSA filers, and contributors to stress test the system and the application. Emergency clearance is necessary in order to conduct this crucial beta testing in order to better serve students and contributors who will submit FAFSAs.

**Public Harm Is Reasonably Likely to Result if Normal Clearance Procedures Are Followed**

The August 3, 2025, initiation of beta testing was scheduled to facilitate the FAFSA launch which is scheduled for October 1, 2025. There is not enough time to obtain OMB approval of the form prior to these dates due to the timing of the enactment of the OBBBA, which was signed into law in July of 2025. This Act includes revisions to the FAFSA form that apply to the 2026-27 award year.

Without an updated FAFSA form, beta testing and the launch of the FAFSA would be delayed. This means that students would not be able to complete a FAFSA form to determine eligibility for federal student aid. Institutions of Higher Education would not be able to package aid for their students until their students’ FAFSA forms have been processed. These delays would cause the FAFSA form not to be available to the public on time. Applicants and schools rely on the on-time launch of the FAFSA form each year. Delays could impact a school’s enrollment projections or a student’s decision to apply for federal student aid in general.

The FAFSA form should reflect the most recent changes to law in order for accurate title IV eligibility to be calculated. Using a form that does not include these updates may cause applicants to miss out on aid they should otherwise be eligible for. Without emergency approval, countless inaccurate FAFSA forms and, potentially, millions of incorrect eligibility determinations would result. Inaccurate FAFSA forms and incorrect eligibility determinations could also result in the loss of taxpayer dollars.

**An Unanticipated Event Has Occurred**

The OBBBA was signed into law on July 4, 2025. The Act made changes to the FAFSA for the 2026-27 award year. The Department could not know what these changes were prior to the Act being signed into law. Because of this, obtaining full OMB clearance to use the most accurate version of the FAFSA prior to FAFSA beta testing and FAFSA launch would not be possible.

**Conclusion**

The Department is requesting emergency clearance of 1845-0001 for 180 days in order to use the most accurate version of the FAFSA to begin beta testing on August 3, 2025.

Thank you for your consideration.