

## **Vote **NO** on Republicans' Bills to Delay Access to Federal Student Aid**

Federal student aid is one of the most effective programs in the country for individual economic opportunity and collective economic prosperity, supporting nearly 13 million students annually. Threatening that foundation with rigid, punitive mandates — without administrative discretion or clear standards — does not protect the public. It puts access to higher education at risk.

One rising challenge within the financial aid system is the increasing number of individuals enrolling specifically to commit fraud. In most cases, these individuals, often referred to as “ghost students,” are fraudulent applicants who enroll using fake or stolen identities and obtain federal student aid, including Pell Grants, with no intention of attending classes or earning a degree. They register for low-cost classes and apply for grants, only to withdraw upon receiving tuition reimbursement. Federal law enforcement has been aware of this type of fraud for years and has taken steps to address it.

**The Office of Federal Student Aid already has an anti-fraud program in place.** Currently, the Department of Education (ED) uses a real-time identity fraud detection system to review each FAFSA application. When an application triggers “reasonable suspicion of identity fraud,” the Secretary must notify the applicant of three things: the determination itself, that the application will be subject to additional identity verification, and that this information will be shared with the institutions the applicant designated on their Free Application for Federal Student Aid (FAFSA).

**H.R. 7892 is premature and unnecessary.** In April, ED launched a real-time identity fraud detection system, and it has yet to be evaluated. Codifying a system into statute before we understand its real-world effects locks in a potentially flawed approach and removes the flexibility to course correct. This bill rushes to legislate what regulators are already doing — but without the guardrails that those regulators could adopt administratively.

**Any algorithm that flags ‘reasonable suspicion’ will inevitably produce false positives, and historically, other fraud detection systems have disproportionately flagged people of color and other vulnerable communities.** The students least equipped to challenge these determinations will bear the consequences. H.R. 7892 contains no safeguards to ensure that legitimate students — students without traditional forms of identification or with limited access to smartphones or reliable internet, including students experiencing homelessness or lacking a fixed address and eligible noncitizens — are not disproportionately screened out or delayed. Any algorithm that flags “reasonable suspicion” will inevitably produce false positives, and the students least equipped to challenge those determinations will bear the consequences.

**H.R. 7892 is part of a broader strategy to weaponize student aid.** The Trump Administration is using accreditation standards and threats to withhold Title IV funding as levers of ideological control — rewriting the accreditation handbook, threatening funding to select institutions that violate executive orders, and embedding ideological conditions into annual participation agreements. H.R. 7892 fits this pattern by granting the Trump Administration new, unaccountable authority to further withhold aid.