



RESOURCE TITLE:

50-State Comparison: Need- and Merit-Based Financial Aid

States collectively invest over \$12 billion a year to support over 4.5 million students through financial aid programs. Most states disburse aid based on students' financial need, or a measure of their ability to pay for postsecondary education. Some states also use merit criteria, which focuses aid on students matriculating directly from high school who meet GPA and/or test score requirements.



States are often compared based on their commitment to either a need- or merit-based aid policy approach. However, states are not often provided the opportunity to compare how they go about measuring merit or need. This 50-State Comparison provides a look at the specific criteria employed in the top two largest aid programs by state. It includes details about which state programs are linked to measuring need through the federally calculated Estimated Family Contribution (EFC) or purely family income. On the merit side, this 50-State Comparison includes details about which state programs use GPA or SAT/ACT scores to determine

eligibility. It also includes information on which states require a Free Application for Federal Student Aid (FAFSA) or use their own state application process for aid.

Finally, following federal action to simplify the FAFSA form, we catalog which state aid programs specifically require Selective Service registration or restrict eligibility for students with drug convictions. Both of these questions will soon be removed from the FAFSA form, prompting questions about how states will monitor these qualifications in future years.

Access information for all states on any of these dimensions by clicking on a question below. A state-level profile of all data points is available by **clicking on a specific state**.

50-STATE COMPARISONS

- **Is the program need-based, merit-based, a hybrid or based on other criteria?**
- **How is merit or need measured?**
 - **What is the minimum EFC, GPA, SAT or ACT result required?**
- **Is the FAFSA required?**
- **Does the program require Selective Service registration?**
- **Is eligibility restricted for students with drug convictions?**
- **All data points.**

KEY TAKEAWAYS

- Forty-nine of the 100 largest state financial aid programs are disbursed based on financial need only. Seventeen use only merit-based criteria.
- Of need-based programs, the most common way for states to measure need is by using the EFC from the FAFSA.
- Of the 17 programs with only merit requirements, 11 use GPA to measure eligibility.

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