

Important Changes to Federal Student Loans for 2026-2027 – Graduate Students

On July 4, 2025, the One Big Beautiful Bill Act (OBBBA) was signed into law. This federal legislation includes several changes to federal student aid programs that may affect students and families beginning with the 2026-2027 academic year.

Please read below because your financial aid may be affected by one or more of these revisions.

Enrollment Status: Students who are not full-time will be subject to the Schedule of Reduction (SOR) rules and their federal loans will be prorated according to their enrollment status. Therefore, it is very important that graduate students enroll in a minimum of 12 credit hours per academic year.

Graduate Loan Limits: The annual Direct Unsubsidized Loan limit for graduate students remains \$20,500. However, beginning July 1, 2026, the aggregate federal loan limit for graduate students will be \$100,000. Under previous rules, graduate students could borrow up to \$138,500 in combined undergraduate and graduate federal loans. Under the new law, undergraduate borrowing is treated separately when calculating the new graduate aggregate limit.

Graduate PLUS Loans: Graduate PLUS Loans will no longer be available to new borrowers beginning July 1, 2026. Students who qualify for the legacy provision described above may continue to borrow under current rules for a limited period.

For more information regarding these updates, you can visit: [OBBBA](#).