What's Changing with Graduate Federal Loans? (Starting July 1, 2026)

TRINE UNIVERSITY

Grad PLUS Loans Eliminated for New Borrowers

- Ends July 1, 2026 for students who have never borrowed Grad PLUS before that date.
- New borrowers cannot access Grad PLUS after this date.

Legacy (Grandfather) Provision

- Students who received any Grad PLUS disbursement before July 1, 2026 may continue borrowing Grad PLUS until June 30, 2029 or until completing their current academic program, whichever comes first.
- Must remain in the same program to continue eligibility.

New Federal Loan Limits (Unsubsidized Loans Only)

Graduate (Non-Professional) Students

- Annual limit: $20,500
- Graduate lifetime cap: $100,000 (does not include undergraduate borrowing)
- New aggregate cap for new borrowers: $157,500 (combined undergrad + grad; excludes Parent PLUS)

Professional Students (law, medical, pharmacy — Trine currently has none)

- Annual limit: $50,000
- Professional lifetime cap: $200,000
- New aggregate cap for new borrowers: $257,500 (combined undergrad + professional; excludes Parent PLUS)

Part-Time Students

- Loan eligibility will be prorated based on enrollment level. Exact formula pending rulemaking.

New Repayment Plans for Loans Made On or After July 1, 2026

- Borrowers with only pre-2026 loans may keep most existing plans temporarily; some must move to RAP by July 1, 2028.
- Borrowers with any post-2026 loans may choose only:
  - New Standard Plan [10–25 years depending on amount borrowed]
  - Repayment Assistance Plan (RAP) [New Income Driven Repayment (IDR) plan]
    - Payment = 1–10% of monthly AGI and forgiveness after 30 years
- SAVE, PAYE, and ICR will be phased out by July 1, 2028.
- Only IBR and RAP will remain, depending on loan dates.
- Public Service Loan Forgiveness (PSLF) continues.
- RAP payments will count toward PSLF beginning July 1, 2026.
- Loan repayment plan details (currently): https://studentaid.gov/manage-loans/repayment/plans

Changes come from July 2025 One Big Beautiful Bill Act (OBBB).Final details are still subject to rulemaking. This information is as of November 2025.

For QUESTIONS, please contact the Financial Aid Office

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