



Enacted in July 2025, the One Big Beautiful Bill Act (OBBA) made significant changes in federal student loan programs as a part of broader shifts in fiscal policy. The changes resulting from the legislation will take effect on July 1, 2026.

Last updated: July 1, 2026

We're here to help! If you have questions or would like to speak with a financial aid staff member at your school, contact information is provided below:

Texas Chiropractic College Financial Aid Office

Office: [\(281\) 998-6020](tel:(281)998-6020)

Email: financialaid@txchiro.edu

Important disclaimer: The information contained on this page is provided by Texas Chiropractic College financial aid staff to orient students to the changing landscape of federal student loan programs. While it is based on our good-faith understanding of the new federal standards, it is not official guidance and should not be considered definitive. Students should refer to federal governmental sources for official guidance. See studentaid.gov for more information.

Federal Student Loan Changes Effective July 1, 2026

The information below is based on final federal guidance from the Department of Education available as of May 1, 2026.

Grad PLUS Loans

- Grad PLUS loans will be phased out beginning on July 1, 2026; beginning on that date, new loans will not be available for new borrowers.
- There will be some continuing eligibility for existing Grad PLUS borrowers as they complete their current programs.

Grad PLUS Loans for Existing Borrowers

- A student who takes out any Direct Loan or a Grad PLUS Loan before July 1, 2026, can continue to borrow a Grad PLUS loan within the “3-year or until program completion” period whichever is less, as long as they remain in the same program at the same school where they first borrowed the loan before July 1, 2026.
- If a student completes their program, withdraws, changes their program, or enrolls in a new program, they will no longer be eligible for Grad PLUS and will now fall under the new rules.

New Graduate Unsubsidized Direct Loan Limits (effective July 1, 2026)

- **Professional programs (e.g., medicine, law):**
 - Up to \$50,000/year, \$200,000 aggregate borrowing limit.
- **Other graduate programs:**
 - Up to \$20,500/year, \$100,000 aggregate borrowing limit.
- Combined lifetime borrowing limit of \$257,500, including Grad PLUS, excluding Parent PLUS.
- Existing unsubsidized loan borrowers can access unsubsidized loans under the current limits until they complete their current program or for 3 additional years, whichever is less.

What is considered a “Professional” vs. “Graduate” Program?

- The Department of Education has issued temporary guidance regarding eligible professional degree programs in response to a court order. Because this remains in active litigation, eligibility requirements may change as the case proceeds. For the most current information, please refer to the Department’s latest guidance: [GENERAL-26-42 Update to List of Professional Programs Due to Court Order](#).

Loan Proration for Part-Timers

- Part-time enrollment now automatically reduces your federal loan eligibility in proportion to the number of credits a student is registered for, rather than just requiring a half-time status.

- Students should speak directly with their school Financial Aid Office if they have questions about part-time enrollment.

New Repayment Plans

- For new loans disbursed after July 1, 2026, the bill eliminates current income-driven repayment plans (IBR, PAYE, SAVE) and replaces them with two repayment choices:
 - Repayment Assistance Program (RAP), new income-driven plan
 - Tiered Standard Plan, fixed payments over 10-25 years depending on loan balance
- Students who have borrowed loans before July 1, 2026, and will borrow a new loan after July 1, 2026, are limited to the new RAP or the Standard plans for the new loan.
- RAP borrowers will not be locked into a 30-year plan. They can switch to a standard plan, which ranges from 10 to 25 years.
- Borrowers with no new loans made on or after July 1, 2026, can continue to be eligible to enroll in the current Standard, current Income Based (IBR), Graduated, and Extended repayment plans, and could also opt in to the new RAP.
- SAVE, PAYE, and ICR borrowers must transition to an eligible repayment plan by July 1, 2028. The Department of Education guidance indicates that borrowers who fail to select a new plan may be automatically placed into a Standard repayment option, although additional implementation guidance regarding the 2028 transition is still expected.
- More information on the new RAP program is available on the [Federal Student Aid Important Definitions page](#).

Public Service Loan Forgiveness (PSLF)

- No changes to PSLF provisions from the OBBB.
- Information on [how to determine if your employer qualifies for PSLF](#).

Additional Resources

For additional resources published by Federal Student Aid (FSA) and national associations, please visit:

- [One Big Beautiful Bill Act Updates \(Federal Student Aid\)](#)
- [One Big Beautiful Bill Act – Important Definitions \(Federal Student Aid\)](#)

- National Association of Student Financial Aid Administrators (NASFAA)
 - [Federal Student Aid Changes from the One Big Beautiful Bill Act](#)
 - [What Professional Students Need to Know](#)
 - [What Graduate Students Need to Know](#)
 - [Student Loan Repayment Plan Options as of July 1, 2026](#)
 - [Repayment Plan Flowchart](#)
 - [2026-27 & Beyond Graduate/Professional Student Loan Borrowing Limits](#)

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