



Changes to the Federal Direct Student Loan Program

Summary of the RISE Final Rule • May 2026

On May 1, 2026 the Department of Education published the [Reimagining and Improving Student Education \(RISE\)—Federal Student Loan Program Final Regulations](#). They addressed federal Direct student loan limits, repayment plan options, and other federal loan program changes established under the Working Families Tax Cuts Act. This document summarizes the changes.

Federal Direct Student Loan Limits

Annual loan limits for undergraduate and graduate students, including Master of Public Health degree students, did not change. The regulation reduced annual loan limits for students enrolled less than full time proportional to their enrollment and established aggregate loan limits for graduate students and parents of undergraduates. The regulation increased annual and aggregate loan limits for students pursuing a professional degree, which does not include public health degrees.

Student	Annual Loan Limit (Unsubsidized)	Aggregate Loan Limit	Lifetime Maximum	Additional Information (§ 685.203)
Graduate	\$20,500 <i>Changes:</i> <ul style="list-style-type: none"> No change in limit Direct PLUS loans no longer available 	\$100,000 <i>Change:</i> Previously \$138,500	\$257,500 on all federal <ul style="list-style-type: none"> undergraduate graduate and graduate PLUS loans. This total includes any amount paid, cancelled or discharged. <i>Note: Parent PLUS loans are excluded.</i> <i>Change: Previously no limit</i>	Includes Master and Doctor of Public Health degrees
Professional	\$50,000 <i>Changes:</i> <ul style="list-style-type: none"> Previously \$20,500 Direct PLUS loans no longer available 	\$200,000 <i>Change:</i> Previously \$138,500		Limited to a defined list of degrees*
Undergraduate	Annual limits depend upon year in school <i>No changes</i>	\$31,000 - \$57,500 <i>No changes</i>		Independent students are eligible for higher loan amounts

* Only includes pharmacy (PharmD), dentistry (DDS or DMD), veterinary medicine (DVM), chiropractic (DC or DCM), law (LLB or JD), medicine (MD), optometry (OD), osteopathic medicine (DO), podiatry (DPM, DP, or PodD), theology (MDiv or MHL), and clinical psychology (PsyD or PhD).

Repayment Plans and Public Service Loan Forgiveness Eligibility

The regulation established the new Tiered Standard repayment plan ([§ 685.208](#)) and the income-driven Repayment Assistance Plan ([§ 685.209](#)). It also sunsets current income-driven repayment options July 1, 2028. Only on-time payments made under the Repayment Assistance Plan qualify for the Public Service Loan Forgiveness (PSLF) program ([learn more](#)). APHL members have experienced success with the federal PSLF Program, which forgives remaining federal student loan balances after making 120 on-time payments while working for a qualifying employer ([learn more](#)).

Borrowers beginning repayment on or after July 1, 2026 are automatically enrolled in the Tiered Standard Repayment plan **and must elect the Repayment Assistance Plan so their payments qualify for PSLF.**

New Repayment Plan	Details
Tiered Standard Plan	Based on loan debt, interest rate and repayment period (10-25 years)
Repayment Assistance Plan	<ul style="list-style-type: none"> Based on income and number of dependents Repayment period is 30 years (10 years if in the PSLF Program) Only plan that qualifies towards PSLF Includes an interest subsidy and a matching principal payment of up to \$50 monthly Loan plans that include Direct PLUS Loan for Parents are ineligible

Borrowers in repayment on July 1, 2026 have until July 1, 2028 to enroll in the Repayment Assistance Plan when the current income-driven repayment plans sunset. These include the Income Contingent Repayment (ICR), Pay As You Earn (PAYE), and Income-Based Repayment (IBR) plans. Borrowers should carefully review the benefits and potential drawbacks of switching to the Repayment Assistance Plan before July 1, 2028 ([learn more](#)).

Other Changes

- Discretionary forbearances:** Limited to 9 months in a 24-month period for new loans issued on or after July 1, 2027 ([§ 685.205](#))
- Economic hardship deferment and unemployment deferment:** Eliminated for new loans issued on or after July 1, 2027 ([§ 685.204](#))
- Loan rehabilitation:** Provides an additional chance to rehabilitate defaulted loans ([§ 674.39](#), [§ 682.204](#), [§ 685.405](#))
- Parent PLUS Loans:** Limited per child to \$20,000 annually and \$65,000 aggregate ([§ 685.203](#))
- Loan Limit Exceptions:** Exceptions depend upon enrollment and loan origination dates ([learn more](#))

More Information

- APHL [comments](#) to the Department of Education on the proposed rule
- Association of Schools and Programs of Public Health [statement](#)
- Department of Education [Frequently Asked Questions – Loan Limits](#)
- [StudentAid.gov/bigupdates](#) for the latest information about changes to the federal student aid programs