

# FEDERAL STUDENT LOAN CHANGES • EFFECTIVE JULY 1, 2026

Federal legislation passed on July 4, 2025 (H.R. 1 – Public Law No. 119–21), introduces several important updates to federal student loans beginning July 1, 2026. Below is a summary of the key changes:

- ♦ **Parent PLUS Loans:** New borrowing limits will take effect—\$20,000 per student per year, with a \$65,000 lifetime maximum. Parents who borrow before July 1, 2026, may continue under current limits for up to three additional years.
- ♦ **Graduate Student Loans:** Grad PLUS Loans will no longer be available for new students. Current graduate students may continue borrowing under the existing terms for their current program.
- ♦ **Repayment Options:** A new **Repayment Assistance Program (RAP)** will replace certain income-driven repayment plans for new loans, offering borrowers more predictable and streamlined repayment options.



## ADDITIONAL INFORMATION & UPDATES

Federal Student Aid (FSA) will continue to release official guidance and implementation details over the coming months. Families are strongly encouraged to stay informed by:

- ♦ Visiting **studentaid.gov** regularly for federal updates and tools to estimate loan eligibility and repayment }
- ♦ Scheduling a **virtual appointment** with a financial aid counselor to discuss how these changes may impact your individual financial plan }
- ♦ Attending **Financial Aid Information Sessions** that will be announced later }



Please monitor your email and the VSU website for **VSU Financial Aid communications**. We remain committed to helping students and families plan ahead with clarity and confidence. Our office will provide updated guidance as additional federal information becomes available.