Greetings Trojans,

Recent federal legislation, known as the **One Big Beautiful Bill Act (OBBBA)**, changes how annual **Federal Direct Loan** eligibility is determined for students who enroll less than full-time. These changes became effective **July 1, 2026**, and may affect the amount of federal loan funding you are eligible to receive.

What's Changing?

All students enrolled less than full-time will receive a reduced annual loan amount based on their **enrollment intensity** using the federally required **Schedule of Reductions**.

Please review the following enrollment requirements:

- **Enrollment below half-time (0–5 credit hours):** Not eligible for Federal Direct Loans.
- **Half-time enrollment (minimum of 6 credit hours):** Required to receive Federal Direct Loans.
- **Full-time undergraduate enrollment:** 12 or more credit hours per semester.
- **Full-time graduate enrollment:** 9 or more credit hours per semester.

Undergraduate Credits for Semester	% of Annual Loan Limit
12 or more credits	Maximum annual loan eligibility
6 – 11 credits	Reduced annual loan eligibility based on the federally required Schedule of Reductions
Under 6 credits	Not eligible for Federal Direct Loans

Graduate Credits for Semester	% of Annual Loan Limit
9 or more credits	Maximum annual loan eligibility
6 – 8 credits	Reduced annual loan eligibility based on the federally required Schedule of Reductions
Under 6 credits	Not eligible for Federal Direct Loans

What This Means for You

When Virginia State University initially awards financial aid, we assume students will enroll full-time. As a result, your initial financial aid offer and bill may reflect full-time enrollment.

After the **Add/Drop period ends on August 20, 2026**, we are required by federal regulations to review your actual enrollment and adjust your financial aid accordingly.

All students enrolled less than full-time:

- Your **Federal Direct Loan eligibility** will be adjusted based on your enrollment intensity using the federally required Schedule of Reductions.
- Other types of financial aid, including certain grants, scholarships, or other awards, **may also be adjusted or canceled if they have separate enrollment requirements.**

We encourage you to review your enrollment plans carefully before the semester begins. Enrolling full-time may maximize your eligibility for federal student loans and other financial aid programs.

If you have questions about how these federal changes may affect your financial aid, please contact us **at finaid@vsu.edu or (804)524-5990**. Additional information, such as Frequently Asked Questions (FAQ) can be found on our website: https://www.vsu.edu/financial-aid/obbba-and-financial-aid.php . Our team is committed to helping you understand your options and supporting your success throughout the academic year.