OLD DOMINION UNIVERSITY
Digital Transformation & Technology

Dear Students,

We want to share an important update regarding recent changes in federal law that will reshape federal student aid in future years. On July 4, 2025, President Trump signed into law the One Big Beautiful Bill Act or H.R. 1 (Public Law 119-210), which introduces several changes beginning **July 1, 2026**. Our goal is to keep you informed, supported, and confident as you plan your academic journey.

First and most importantly: **your federal grants and aid for the 2025-2026 award year – including the Pell Grant – will remain the same**. You will continue to receive aid under the current rules, and no changes will impact your aid for the upcoming semester.

What Stays the Same

- **Undergraduate Subsidized Loans** remain available.
    - Proposals to eliminate undergraduate subsidized loans were ***not*** included in the final version of H.R. 1 signed into law.
- **Pell Grant funding** remains available to students who qualify for the program, as H.R. 1 included funding to address an anticipated shortfall through Federal Fiscal Year 2028.

Importantly, new federal regulations that will determine the implementation of the changes to Federal Student Aid programs will be released at the conclusion of a negotiated rulemaking process through the U.S. Department of Education in Calendar Year 2026.

Expected Changes to Federal Loan Programs Effective July 1, 2026

- **Graduate PLUS Loans** for graduate and professional students will be discontinued for ***new*** borrowers. ***Current*** students utilizing the Graduate PLUS Loan program may continue borrowing funds under their existing terms for three additional academic years or through completion of their program, whichever comes first. If there is an interruption in enrollment, you will be considered a new borrower and no longer eligible for the loan.
- **Annual borrowing limits will change**, replacing the previous structure where students could also take out Grad PLUS loans up to the full cost of attendance. The new hard caps will be:
    - **Graduate students:** up to $20,500 per year (which is the same as the prior Direct Unsubsidized Loan limit), with a **new, lower lifetime cap of $100,000**. (This is a decrease from the previous aggregate limit of $138,500 and, crucially, removes access to the Grad PLUS loan program for new borrowers.)

- **Professional students:** up to $50,000 per year, with a **new lifetime cap of $200,000**. [Note: There is ongoing discussion about what is considered a professional versus a graduate program. We expect clarification in the months ahead.]

- **Parent PLUS Loans** will be capped at $20,000 per year and $65,000 total per dependent student.
- **Overall lifetime borrowing limit** will be capped at $257,500 across all federal student loans (excluding Parent PLUS Loan amounts).
- **Repayment Plan Updates:**
  - New borrowers (loans disbursed on or after July 1, 2026) will choose from two repayment options: a fixed standard plan or the new Repayment Assistance Plan (RAP).
  - Current borrowers with new loans made on or after July 1, 2026, will choose from two repayment options: a fixed standard plan or the new Repayment Assistance Plan (RAP). If no selection is made by that date, they will be assigned to the new standard repayment plan.
  - Borrowers with no new loans made on or after July 1, 2026, who are enrolled in an existing Income-Contingent Repayment (ICR) plan will have until July 1, 2028, to enroll in the Income Based Repayment (IBR) plan or the new Repayment Assistance Plan (RAP). If no selection is made by that date, they will be moved into RAP automatically.

We know that changes like these can bring questions and uncertainty, and we want you to feel fully supported. We have created a website where you can track these changes. Please bookmark this site and check it periodically as we will be monitoring developments and making updates regularly. Be assured that our team is ready to guide you through any concerns or planning decisions.

Please reach out whenever you need assistance – we are here for you. Students may contact us at **757-683-3683**, schedule a virtual appointment, or visit us in person at **2002 Rollins Hall**. Our office is open **Monday through Friday, 8 AM to 5 PM.** Virginia Health Sciences students may seek assistance by email at VHS-Finaid@odu.edu or by phone at **757-446-5804**.

Your success remains our top priority, and we are committed to supporting you every step of the way.

Warmly,

The Office of Financial Aid