Temporary Changes to Professional Student Loan Limits: What Students Need to Know

This resource is intended to help students enrolled in degree programs that are temporarily classified as "professional degree" programs for purposes of federal student loan limits better understand a recent court ruling and its implications on their ability to borrow federal student loans.

Beginning July 1, 2026, students* meeting the U.S. Department of Education's definition of "professional student" can borrow up to $50,000 per year, and up to $200,000 in total ("aggregate limit"), from the Federal Direct Unsubsidized loan program.
The programs considered to be professional degree programs were **initially limited** by the Department of Education to the following 11 fields of study:

Degree Program	
Pharmacy (Pharm.D.)	Optometry (O.D.)
Dentistry (D.D.S.; D.M.D.)	Osteopathic Medicine (D.O.)
Veterinary Medicine (D.V.M.)	Podiatry (D.P.M.; D.P.; Pod.D.)
Chiropractic (D.C.; D.C.M.)	Theology (M.Div. or M.H.L.)
Law (L.L.B.; J.D.)	Clinical Psychology (Ph.D.; Psy.D.)
Medicine (M.D.)	

On June 24, 2026, a court granted a stay, or a temporary pause, in response to a lawsuit challenging some provisions of the Department of Education's professional degree definition, temporarily expanding the number of programs that qualify for the higher Direct Unsubsidized loan amounts. The programs that are **temporarily classified** as professional degree programs eligible for the higher professional degree borrowing limits are:

Degree Program	
Veterinary Medicine (D.V.M.)	Dentistry (D.D.S.; D.M.D.)
Law (L.L.B.; J.D.)	Anesthesiologist Assistant (CAA)
Divinity/Ministry (M.Div.)	Physician Associate/Assistant (MSPA; PA)**
Rabbinical Studies (M.H.L.)	Athletic Training/Trainer (MSAT; MAT)
Clinical Psychology (Ph.D.; Psy.D.)	Medicine (M.D.)
Counseling Psychology (Psy.D.)	Osteopathic Medicine (D.O.)
School Psychology (Psy.D.)	Podiatry (D.P.M.; D.P.; Pod.D.)
Clinical Child Psychology (Psy.D.)	Optometry (O.D.)
Health/Medical Psychology (Psy.D.)	Pharmacy (Pharm.D.)
Family Psychology (Psy.D.)	Occupational Therapy/Therapist (OT; MSOT; OTD)
Forensic Psychology (Psy.D.)	Physical Therapy/Therapist (PT; DPT)
Clinical, Counseling and Applied Psychology, Other (Psy.D.)	Registered Nursing/Registered Nurse (MSN)
Chiropractic (D.C.; D.C.M.)	Nurse Anesthetist (DNAP)
Audiology/Audiologist (AuD)	Nursing Practice (DNP)
Speech-Language Pathology/Pathologist (SLP)	

***The Department of Education indicated in a July 10 court filing that it would grant requests from institutions to treat other degree programs that share a Department of Education classification code with MSPA and PA degrees, and that are equivalent to those degrees, as professional degree programs for purposes of higher loan limits for the duration of the Court's stay in the case.*

Below are answers to questions students may have about whether and how the court's stay impacts their ability to borrow federal student loans.

Does my school have to increase my loans to the professional degree borrowing limit if I ask them to?

No. Schools have the authority to impose lower, institutionally-determined loan limits to cap Direct Unsubsidized loan borrowing for students enrolled in programs temporarily classified as professional degree programs.

When will the court make a final decision on my program's loan limits?

The parties in the lawsuit have agreed to a schedule for the court proceedings, under which the final briefing will be filed by December 4. It is not possible to know how quickly the court will make a final ruling after that date. It is also possible that, in the interim, the Department of Education will appeal the stay decision. If that appeal is successful, the stay would be lifted, meaning the professional student degree definition would revert to the 11 fields of study initially established by the Department of Education until a final ruling is made, and students enrolled in programs not included on that list would again be subject to the lower, graduate student borrowing limits.

Should I borrow the full $50,000 if my school allows it and I am otherwise eligible?

Not necessarily. The uncertainty surrounding a potential appeal and the timing of when a final ruling may be issued means there is a chance that students who are temporarily able to borrow at the professional student limit might have to return the funds they received in excess of the graduate student limit of $20,500, or that their schools might have to cancel pending disbursements of loan proceeds. So, for example, if you borrow $50,000 and receive your first disbursement of $25,000 for the first term of your academic year, and the court then determines that you are subject to the graduate student limit of $20,500, your first disbursement would have exceeded your annual limit, and you would not be eligible to receive more for future terms in the same academic year.

It is also unclear how additional borrowing under this temporary increase in the loan limit will affect students' aggregate borrowing limits, meaning that borrowing more now could mean you're eligible to borrow less in future years. Proceed with caution if you decide to borrow the $50,000 Direct Unsubsidized loan for this year, and have a backup plan for how you will pay for school if the limit changes again in the future.

Is there a way to "lock in" my eligibility before a final court ruling that might disqualify my program as a professional degree program?

Probably not. Schools are required to disburse federal student loans in equal installments over the course of the academic year, so this answer depends somewhat on an unknown: when the court will make a final ruling. It is possible that, if the final ruling is not issued in the next few months, some students will have received and be permitted to retain all of their loan proceeds for the year before the ruling is issued. However, schools cannot bypass the rules on the timing of disbursements to ensure that loans are fully disbursed before the final ruling. It is also not yet clear whether the Department of Education would require students to return funds (see response to the previous question).

What if the court ultimately determines that my program is subject to the lower, graduate student Unsubsidized loan limit, and I have already borrowed $50,000 this year?

That is not clear at this time. We do know, however, that you would be subject to the lower, graduate student annual limit for any new loans borrowed after the court's final ruling if the court ultimately allows the Department of Education's original professional degree definition to stand. It is not clear whether you would also be subject to the graduate student aggregate limit of $100,000 or the higher $200,000 professional student aggregate limit.

**This information does not apply to students who have already borrowed a Direct Loan for their current program of study prior to July 1, 2026. Current student loan borrowers who are continuing in the same program of study remain subject to pre-July 1, 2026 limits and retain access to borrow up to their full cost of attendance under the Federal Direct Graduate PLUS program.*

Disclaimer: The information contained here reflects our understanding of this issue as of the date it was last updated. Considerable uncertainty remains around how this temporary ruling impacts students, and guidance from the Department of Education is still evolving.