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Linda E. McMahon
Secretary of Education

Nicholas Kent
Under Secretary of Education

U.S. Department of Education
Office of Postsecondary Education
400 Maryland Avenue, SW
Washington, DC 20202

RE: Docket ID ED-2025-0944

Dear Secretary McMahon and Under Secretary Kent,

We are writing on behalf of the University of Illinois System, a three-university public enterprise that serves over 101,000 students and is deeply committed to affordability in higher education. We appreciate the opportunity to offer feedback on the impact of the proposed rules stemming from the *Reimagining and Improving Student Education* (RISE) negotiated rulemaking sessions, specifically those relating to changes to the Federal Direct Loan Program. Across our system, including the University of Illinois Urbana-Champaign (UIUC), University of Illinois Chicago (UIC), and University of Illinois Springfield (UIS), the proposed changes would significantly affect student access, affordability, and workforce preparation. Collectively, these changes will have many detrimental impacts on students and our nation's workforce.

I. Implications for Program Access

Graduate and Professional Student Loan Limits

- As stipulated by the One Big Beautiful Bill Act (OBBBA), the annual and aggregate loan limits for graduate and professional students are too low to cover the cost of many degree programs. The expenses reflected in the cost of attendance calculations (COA) have historically been covered by federal loans but would not be covered under the new limits.
- For example, at UIC in academic year (AY) 2024-25, the average annual COA for a degree-seeking on-campus graduate student was \$46,715, for a law student it was \$70,575, and for a professional student it was \$80,944. Comparable gaps exist at UIUC

and UIS across graduate and professional programs once living expenses are included in COA. The annual and aggregate loan limits for graduate (\$20,500 annual, \$100,000 aggregate) and professional (\$50,000 annual, \$200,000 aggregate) students do not come close to covering these amounts.

- The additional cancellation of Grad PLUS loans under OBBBA further exacerbates this shortfall. Students will not be able to access sufficient federal loans to cover their COA. For example, at UIC in AY 2024-25, 70% of dentistry students (average loan amount \$64,282), 52% of medical students (\$36,018), and 56% of law students (\$33,165) took a Grad PLUS loan. Students at UIUC similarly rely on Grad PLUS loans to finance high-cost graduate and professional education.
- Consequently, students will need to turn to private loans to cover the difference. Private loans typically have higher interest rates and require a credit history or a cosigner, which introduces a barrier for students from economically disadvantaged backgrounds, many of whom will not qualify.

Parent PLUS Loan Limits

- The proposed rule also imposes new limits on Parent PLUS Loans, capping borrowing at \$20,000 per student per year and setting an aggregate limit of \$65,000 per student. In 2024-25, UIUC had more than 430 families of graduating seniors who borrowed over \$60,000 in aggregate Parent PLUS loans. Under this proposal, these families would be required to identify alternative ways to finance a portion of their students' education. Similar borrowing patterns occur across the U of I System.
- It is also inconsistent to allow a parent to borrow up to \$20,000 per student per year while imposing an aggregate borrowing limit of \$65,000. Because most undergraduate students take at least four years to graduate, a \$65,000 aggregate cap does not align with typical borrowing patterns or time to degree.

Loan Proration

- We are also concerned with the requirement that student loans must be reduced proportionally for students enrolled less than full-time. When loans are prorated, the reduction in available funds often does not align with a proportional reduction in living expenses. Housing, food, transportation, childcare, and health insurance rarely decrease just because enrollment drops below full-time.

II. Implications for Public Service Pathways and Workforce

- Forcing dependence on private loans disincentivizes students from going into public service and nonprofit work because private loans eliminate eligibility for service-based loan forgiveness programs like National Health Service Corps and Public Service Loan Forgiveness.

- The narrow definition of professional degrees omits high-demand and high-need professional programs such as nursing, occupational therapy, physical therapy, public health, social work, and education. This will exacerbate existing workforce shortages. According to the Department of Education’s own [analysis](#), over 2,000 individual doctoral programs fall within the eligible six-digit CIP codes. However, further limiting eligibility to programs leading to licensure dramatically reduces the number of potentially eligible degree programs, according to the analysis cited above, from 2,000 down to about 650. They would be further reduced by the requirement that they include six years of post-secondary study.
- Under the RISE committee definitions, some examples of programs that would **not** be classified as professional and their annual COA at UIC in AY 2024-25 include Doctor of Nursing Practice (\$59,782), Doctor of Occupational Therapy (\$57,070), Doctor of Physical Therapy (\$59,614), Doctor in Public Health (\$42,294), Master of Education with licensure (\$37,395), and Master of Social Work (\$42,925). Comparable exclusions would affect workforce-critical graduate programs at UIUC including Master of Social Work, Master of Public Health, Doctor of Education, Master of Science in Engineering; as well as programs at UIS such as Master of Public Health.
- Ultimately, these changes will prevent the U of I System from fulfilling its mission of serving all citizens in Illinois, including rural, low-income, and first-generation students, many of whom would be frozen out of the private loan market. Over the 20 years following the 2005 expansion of federally backed loans, UIC’s graduate and professional student enrollment more closely reflected state and city demographics. Changes to loan availability risk reversing these gains. Similar access risks exist across the system, including at UIUC and UIS, where many students also rely on federal loans due to limited access to private credit.
- Healthcare professions will be most heavily impacted given the higher cost of attendance for these programs. Dependence on more costly private loans will incentivize students to pursue higher earning specialties over general practice, further exacerbating healthcare shortages in rural areas. Alternatively, students may choose not to pursue healthcare professions at all due to the cost they would incur.
- Dental education is unique in that training in a specialty area after completing a Doctoral of Dental Surgery or Doctor of Medicine in Dentistry degree is tuition-based in the majority of specialties, including orthodontics, periodontics, endodontics, and prosthodontics. Graduates of dental schools who have already maxed out their student loans will be disincentivized to gain advanced training because the additional tuition would be cost-prohibitive. The unfortunate outcome would be fewer dentists providing essential specialty dental care.

III. Recommendations

- We recommend that “professional degree” be defined as any degree leading to a professional credential required for entry into practice in that field.
- Furthermore, we recommend that the definition of a “professional degree” should be based on accreditation, curriculum, and alignment with recognized professional standards, not program length or credit hours.
- We respectfully request that the Department adhere to the master calendar and implement the professional and graduate loan caps effective July 1, 2027. Institutions are now sending out financial aid notifications for fall 2026 and students would need to make decisions now about the programs they’ll be enrolling in next fall with these new limits. These changes require coordinated planning across financial aid, student accounts, admissions, advising, IT, and other partners to align on loan program changes and manage downstream impacts. Financial aid packaging formulas and automated systems must be revised, tested, and implemented to correctly apply the new loan limits and limited exception rules. Additionally, software vendors must provide updated functionality to implement the changes. We simply cannot accomplish all of this in less than five months.

In conclusion, we ask that the Department seriously consider the potential unintended consequences of these federal loan policies on student access and entry into fields that are critical to the economy and the workforce.

Sincerely,

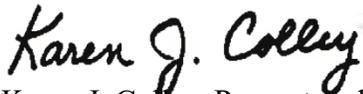


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