

Professional Student Degree Act

Background

The [One Big Beautiful Bill Act \(OBBA\)](#) changed federal student loans and established loan limits for first-time graduate and professional students. The law eliminates the GRAD PLUS loan program and sets strict limits on the amount of Federal Direct Loans that can be borrowed by first-time students in graduate and professional programs. Beginning July 1, 2026, first-time professional degree-seeking students who enroll in a professional degree program will have an annual loan limit of \$50,000 and an aggregate loan limit of \$200,000. First-time graduate degree-seeking student enrolled in a graduate degree program will have an annual loan limit of \$20,500 and an aggregate limit of \$100,000. Borrowers will have a lifetime aggregate limit of \$257,500, including undergraduate borrowing. These changes will go into effect on July 1, 2026, which will impact students looking to enroll for the 2026-2027 academic year. These changes will also reduce access to graduate and professional education, which will negatively impact fields that are critical to the economy and the workforce.

On Nov. 7, 2025, the U.S. Department of Education (Department), concluded a negotiated rulemaking session that approved a narrow definition of a professional degree. The Department's definition limited the number of critical programs that are eligible for the \$50,000 annual limit and \$200,000 aggregate limit to only 11 programs in total. Members of Congress are seeking to address this regulatory change with legislation that would expand the definition of professional degree programs in order to make more programs eligible for the higher loan limit.

Key among these was the introduction by Rep. Mike Lawler (R-NY) of the "[Professional Student Degree Act](#)." The bill seeks to amend the Higher Education Act to expand the statutory definition of "professional student" to include a much wider pool of professional degree programs. This new definition would allow students in these programs to access the higher amount of federal student loans to finance their education. The programs this bill would add are critical to our economy, and they include nursing and other medical specialties, teaching, social work, and other professions.

Other efforts include:

- Rep. Timothy Kennedy (D-NY) introduced a bill known as the "[Loan Equity for Advanced Professionals Act](#)" (LEAP), which would expand higher loan eligibility level to all students seeking a graduate or professional degree. This legislation differs from the Professional Student Degree Act in two major ways. First, by not including a specific list of professional degrees, the LEAP Act opens access to the higher loan limit for all graduate and professional studies. Second, this legislation would not replace the regulatory definition of a professional degree with a statutory definition.
- Rep. Josh Harder (D-CA) [introduced legislation](#) to delay the termination of Direct PLUS loans. It would also delay the limits being imposed on loans for graduate and professional students at institutions with certain public health designations until July 1, 2030.

Professional Degree Defined in the Bill

The Professional Student Degree Act modifies the definition of “professional student” in the OBBB and replaces it with a more comprehensive definition. The law currently defines a professional student as a student enrolled in a professional degree program as identified in Section 668.2 of Title 34 of the Code of Federal Regulations (CFR). The CFR describes professional degree programs as having three defining characteristics:

1. Signifies completion of the academic requirements for beginning practice in a given profession;
2. Represents a level of professional skill beyond that normally required for a bachelor’s degree; and
3. Commonly requires professional licensure after graduation.

The programs listed as examples in the CFR include, but are not limited to: Pharmacy (Pharm.D.); Dentistry (D.D.S. or D.M.D.); Veterinary Medicine (D.V.M.); Chiropractic (D.C. or D.C.M.), Law (L.L.B. or J.D.); Medicine (M.D.); Optometry (O.D.); Osteopathic Medicine (D.O.); Podiatry (D.P.M., D.P. or Pod.D.); and Theology (M.Div. or M.H.L.).

The Professional Student Degree Act expands the programs highlighted in the CFR to the following programs identified below.

- Pharmacy (Pharm.D.)
- Dentistry (D.D.S. or D.M.D.)
- Veterinary Medicine (D.V.M.)
- Chiropractic (D.C. or D.C.M.)
- Law (L.L.B. or J.D.)
- Medicine (M.D.)
- Optometry (O.D.)
- Osteopathic Medicine/Osteopathy (D.O.)
- Podiatric Medicine/Podiatry (D.P.M., D.P., or Pod.D.)
- Theology/Theological Studies (M.Div. or M.H.L.)
- Clinical Psychology (Psy.D. or Ph.D.)
- Ministry (D.Min.)
- Social Work (M.S.W. or D.S.W.)
- Audiology (Au.D.)
- Physician Assistant/Associate (M.P.A.S., M.S.P.A.S., M.M.S., or M.S.)
- Occupational Therapy (M.O.T. or O.T.D.)
- Physical Therapy (D.P.T.)
- Nursing (M.S.N., D.N.P., or Ph.D.)
- Public Health (M.P.H.)
- Business Administration and Management, General (M.B.A. or D.B.A.)
- Accounting (M.Acc. or M.S.A.)
- Architecture (M.Arch.)
- Education (M.A., M.S., M.A.T., or M.Ed.)
- Special Education (M.Ed. or M.S.Ed.)

The Professional Student Degree Act authorizes the Secretary of Education to designate additional degrees as professional degrees if the programs signifies completion of the academic requirements for beginning practice in a given profession (meeting professional licensure requirements) and represents a level of professional skill beyond that normally required for a bachelor’s degree.