



Changes to Federal Student Aid

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PRESENTED BY

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H.R. 1 Policy Changes



2026-2027 FAFSA Updates



FAFSA Experiences to Date



H.R. 1 Related Policy Changes



H.R. 1 Policy Changes

Workforce Pell Grant Program (July 1, 2026)

Eligible programs must be between 150-599 clock hours and 8-15 weeks, offered by accredited institutions, and lead to a “portable, stackable” credential.

Programs must be approved by the state governor and align with in-demand jobs and meet employers’ needs.

Available even to students who have a bachelor’s degree

Students cannot receive a Workforce Pell and “regular” Pell Grant at the same time.

Workforce Pell counts toward a student’s lifetime eligibility

Details will be worked out through the federal negotiated rulemaking process to be held in December 2025 and January 2026.



H.R. 1 Policy Changes

Federal Parent PLUS Loan Limits

(July 1, 2026)

Currently, parents can borrow up to the total cost of education minus the total amount of other financial aid the student is receiving.

H.R. 1 limits borrowing to \$20,000 per year, per dependent student, with a \$65,000 aggregate limit per dependent student.

There is an exemption, for up to three years, for parents who borrow a PLUS Loan before July 1, 2026.



H.R. 1 Policy Changes

Federal Graduate Loan Limits

(July 1, 2026)

Currently, graduate students can borrow up to \$20,500 in Federal Direct Unsubsidized loans annually.

H.R. 1 maintains this annual loan limit of \$20,500 for graduate students and sets a \$50,000 annual borrowing limit for professional students.

Aggregate limits are \$100,000 for graduate students and \$200,000 for professional students, not including amounts already borrowed as an undergraduate.

H.R. 1 eliminates the Graduate PLUS program, with an exemption, for up to three years, for students who borrow a Direct Loan before July 1, 2026.



H.R. 1 Policy Changes

Repayment Plans for New and Current Borrowers

(July 1, 2026, and July 1, 2028)

Borrowers with new loans on or after July 1, 2026, will have two options to repay their federal student loans:

- a **new standard repayment plan** with fixed monthly payments; or
- the **new income-based plan**, the *Repayment Assistance Plan (RAP)*

All loans must be paid under the same repayment plan, so borrowers with loans made before July 1, 2026, who take out additional loans on or after July 1, 2026, will only have RAP and the new standard repayment plan as options.

Current borrowers with no new loans made on or after July 1, 2026, will continue to be eligible to enroll in the following repayment plans: current Standard, current Income Based (IBR), Graduated, Extended, or the new income-based Repayment Assistance Plan (RAP).

Current borrowers enrolled in **ICR, PAYE, or SAVE repayment plans must transition** to one of the new eligible repayment plans (RAP, new Standard Plan, or Amended IBR) by July 1, 2028.



H.R. 1 Policy Changes

Section 529 Plans (Various dates)

As of July 5, 2025, allows K-12 qualified education expenses for:

Tuition; curriculum and academic materials, including online courses; books and instructional materials; tutoring services (tutor must be licensed and unrelated to the student); **standardized test fees** (e.g., SAT, ACT, AP exams); **dual-enrollment college courses**; and educational therapies for students with disabilities.

Increases the cap on K-12 expenses from \$10,000 to \$20,000 **starting in 2026.**

As of July 5, 2025, adds certain expenses for **recognized** postsecondary credentials to the definition of qualified higher education expenses including:

Tuition, fees, books, supplies, and equipment required for enrollment in a recognized postsecondary credential program; testing fees required to obtain or maintain a recognized credential; and continuing education fees necessary to maintain a recognized postsecondary credential program.



H.R. 1 Policy Changes

FAFSA Asset Exemption

H.R. 1 restores the exemptions for family farms and family-owned small businesses (with fewer than 100 full-time employees) from the SAI calculation.

Additionally, the asset exemption expands to include family-owned commercial fisheries.

The 2026-2027 FAFSA was updated prior to release to include this change.



FAFSA Updates

StudentAid.gov Account Creation

- StudentAid.gov accounts are being matched with the Social Security Administration in real time!
- Individuals can create their account and start their FAFSA immediately and experience full functionality (including transfer of federal tax information, if available).
- If the account doesn't match, individuals will have the opportunity to fix issues and "re-match" in real time.

Parent invitation process

- Simplified! Students only need to provide their parent email address.
- Student can invite the parent even if the parents hasn't created their StudentAid.gov account yet.
- Invitation section is now at the end of the student section – after the “Colleges” section.
- No change to the invitation process when the parent starts the FAFSA and invites the student (parent can't start the FAFSA if the student hasn't created their StudentAid.gov account).



2026-2027 FAFSA Updates

FAFSA[®] FORM 2026-27 Student Alex Tran Save FAFSA Menu

Personal Circumstances Demographics Financials Colleges Contributor Invite Signature

Invite a Parent as a Contributor

A contributor is anyone who's required to provide information on your FAFSA form. You must invite a legal parent—a biological or adoptive parent as determined by the state.

Stepparents and other types of guardians do not count unless they have legally adopted the student.

Who counts as a parent on the FAFSA form?

Previous

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Personal Circumstances Demographics Financials Colleges Contributor Invite Signature

Invite Your Parent to This FAFSA[®] Form

To determine your federal student aid eligibility, we need more information on your household financial situation. You'll need to invite a contributor to provide this information.

As a dependent student, you need to invite a legal parent as a contributor. You only need to invite one parent.

Who counts as a parent on the FAFSA form?

Parent

Invite a Parent Contributor

Email

Send Invite

FAFSA[®] FORM 2026-27 Student Alex Tran Save FAFSA Menu

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As a dependent student, you need to invite a legal parent as a contributor. You only need to invite one parent.

Who counts as a parent on the FAFSA form?

Parent

Send Invite to 599887939test@testcod.edu?

We'll send an invitation link and an access code to this email address.

Go Back Send Invite



2026-2027 FAFSA Updates

Student then reviews and signs the FAFSA. Below is the submission page – includes invite code.

FAFSA FORM 2026-27 Student Alex Tran Save FAFSA Menu

Personal Circumstances Demographics Financials Colleges Contributor Invite Signature

Parent Contributor

Once your parent accepts the invitation, they can complete the parent section of this FAFSA form.

They may be asked to invite their spouse as a contributor too. You can check the status of contributor invitations from the "My Activity" page.

Parent

599887939test@testcod.edu

Invite Sent

Other Ways to Send the Invite ^

Copy and Send the Invite Link ⓘ

www.fafsa.gov/invite/7NDNUKA Copy Link

You can also have them go to www.fafsa.gov/invite and enter code: 7NDNUKA

Cancel Invite

FAFSA FORM 2026-27 Student Alex Tran Save FAFSA Menu

Student Section Parent Section

Pending Submission

Check With Your Contributor

Parent Contributors

Requirements for Dependent Students

Your FAFSA® form can't be submitted until your contributor(s) fill out their section of the form and sign it. The last contributor to sign will be able to submit the form for processing.

Contributor(s)	Role	Invite Code	Status
599887939test@testcod.edu	Parent	7NDNUKA	Invite Sent

Manage Invitations

Track and Manage Your FAFSA® Form and Contributors

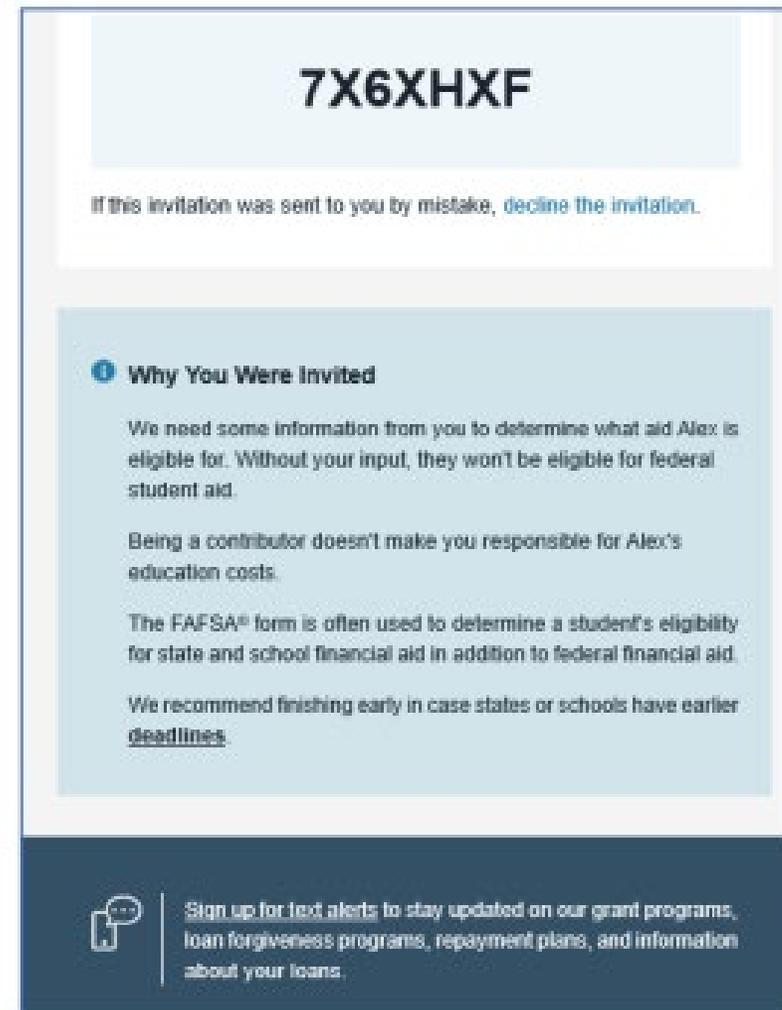
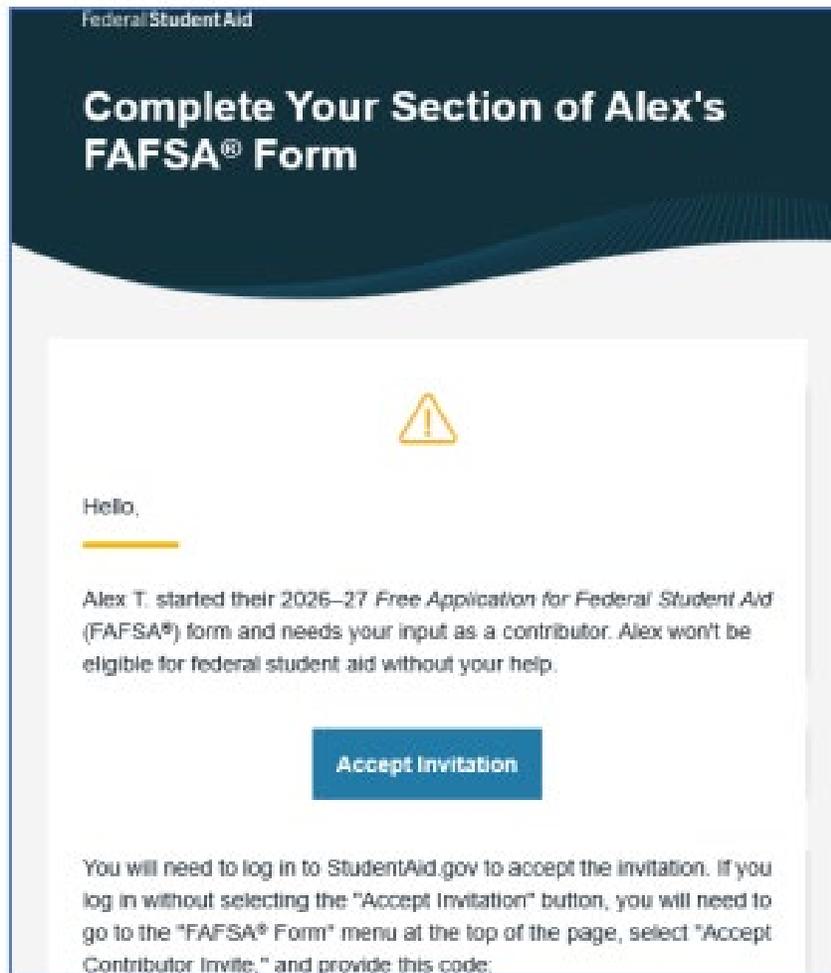
Your application has been added to the "My Activity" page in your StudentAid.gov account. Visit this page to keep track of your FAFSA status; review, edit, or delete information on your form; and monitor the status of your contributor(s).

View Status



2026-2027 FAFSA Updates

Here's the parent FAFSA invitation received via email. The parent selects "Accept Invitation" and is taken to StudentAid.gov.





2026-2027 FAFSA Updates

← FAFSA Home Page

Accept 2026–27 FAFSA® Invitation

Enter the code you received for the FAFSA form.

Invitation Code

Submit

Need to accept an invitation for a different year?

Go to [My Activity](#) where you can find any existing invitations for an earlier year FAFSA form.

Don't have an invitation code?

Speak with the person who invited you to the form and ensure they have sent it to your email. Check your inbox for your invitation code.

← FAFSA Home Page

Accept 2026–27 FAFSA® Invitation

Enter the code you received for the FAFSA form.

Invitation Code

Submit

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Go to [My Activity](#) where you can find any existing invitations for an earlier year FAFSA form.

Don't have an invitation code?

Speak with the person who invited you to the form and ensure they have sent it to your email. Check your inbox for your invitation code.

By Accepting This Invitation to Alex T's FAFSA Form You Agree To Share Your Information

We will need to use some personal information we already have on file about you in order to fill out the necessary steps in this FAFSA® form.

Decline Accept



How Are Things Going?

FAFSA Experiences so far - very positive!

- StudentAid.gov accounts can be created and FAFSAs filed all in one sitting.
- Invitation process is **SO** much easier
- Some parents don't realize they already have an account and have to use the account recovery process, but it is working well.
- We recommend the student start the FAFSA.
- Parents cannot start a FAFSA if their student hasn't created their StudentAid.gov account.
- When doing FAFSA filing events, it is critical that both student and parent be available.

The impact of things happening in D.C.

- The government shutdown (lapse in appropriations) is not impacting the FAFSA.
 - FAFSA can be accessed, completed, and submitted and ISIR records are being sent to the colleges.
 - Customer service is available (customer service employees are contract employees, not federal employees).
- Financial aid funding (budget proposals)
- TRIO programs



Questions?



Thank you for joining us today!

Find more FREE resources and information at
FAMEmaine.com/education.

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