



Submitted at www.regulations.gov

February 25, 2026

The Honorable Nicholas Kent
Under Secretary of Education
U.S. Department of Education
Office of Postsecondary Education
400 Maryland Avenue SW
Washington, DC 20202

RE: Public comments on the Notice of Proposed Rulemaking to amend regulations for the federal student loan programs authorized under Title IV of the Higher Education Act (HEA) of 1965, as amended to implement the statutory changes to the Title IV, HEA programs included in the One Big Beautiful Bill Act signed into law by President Trump on July 4, 2025; **Docket ID: ED-2025-OPE-0944.**

Dear Under Secretary Kent:

The AAMCⁱ (Association of American Medical Colleges) appreciates the opportunity to provide comments in response to the Department of Education's Notice of Proposed Rulemaking (NPRM) to amend Title IV federal student loan regulations to implement statutory changes enacted by the One Big Beautiful Bill Act (OBBBA, P.L. 119-21). These significant changes to federal student aid stand to affect both current and future medical students, as the elimination of the Federal Grad PLUS program fundamentally reshapes the medical school financing landscape and may introduce additional financial barriers for some students pursuing a medical degree. Given the United States' projected shortage of up to 86,000 physicians, this is not the time to reduce federal financial aid options or narrow pathways to medical school. As financial aid opportunities decline, students—particularly those from underrepresented, rural, and economically disadvantaged backgrounds—will face increased barriers to pursuing a medical education.

The following comments reflect the AAMC's analysis of the academic medicine community's perspective on key issues impacting medical school borrowers and are offered to inform the implementation of forthcoming final regulations.

Concerns about Exclusion of Health Professions Loan Exemption

We are concerned that the proposed rule would not preserve the long-standing federal loan exemption allowing medical students to borrow above the statutory Unsubsidized Direct Loan limits. While we appreciate that the rule would extend the health professions exemption to current borrowers under the interim legacy provisions, the loss of this authority for new and prospective students would limit access to medical education, particularly for students from low-income, rural, and underserved communities. This exemption is critical considering persistent health workforce shortages nationwide.

The Secretary’s authority to increase borrowing limits for certain degree programs is codified in Section 428H(d) of the Higher Education Act (“Unsubsidized Stafford Loans for Middle-Income Borrowers”), which explicitly allows the Secretary to grant supplemental borrowing above the statutory limits for students in specialized programs with high educational costs. OBBBA did not amend this provision, leaving the Secretary’s statutory authority unchanged.

Since 1996, the Department has recognized the unique financial demands of health professions education, allowing additional Unsubsidized borrowing for eligible graduate and professional programs. A [2008 Dear Colleague Letter](#) provides precedent for this practice, explaining adjustments made to account for higher loan limits in certain health professions programs. Given this longstanding policy and statutory authority, the Department should continue to exercise the exemption and make corresponding conforming adjustments. Preserving this exemption ensures that qualified students can pursue medical and other health professions degrees without unnecessary financial barriers. At a time of growing physician shortages, particularly in rural and medically underserved areas, maintaining access to federal loan options is essential for sustaining a skilled health workforce and meeting national health needs.

Tracking & Monitoring Continuous Enrollment for Interim Legacy Exception Eligibility

We acknowledge and appreciate the Department’s efforts to incorporate protections through the interim legacy exceptions to help minimize disruptions and potential adverse impacts to existing borrowers. To better understand eligibility, we encourage the Department to provide further guidance regarding how interim legacy exception borrower status would be tracked and monitored for purposes of determining continuous enrollment. From a student aid operations perspective, clarification as to whether this information would be institutionally reported or conveyed through another mechanism, would be particularly helpful to support accurate and consistent administration of this exception. It would also be helpful for the Department to clarify what student-specific eligibility determinations would be reported back to institutions, particularly with respect to unique circumstances such as research or extension years. In addition, further information is needed regarding how Department systems, as well as third-party financial aid software platforms, will distinguish between borrowers with and without interim legacy exception status.

Treatment of Leaves of Absence (§ 685.200(b)(2)(ii))

Additional clarification is needed on how medical schools should interpret NPRM language that appears to allow for limited Leave of Absence (LOA) flexibility as it relates to maintaining eligibility for the interim legacy exceptions as set forth in [34 CFR 668.2](#). Because LOAs are limited to a maximum of 180 days within a 12-month period, rather than a full academic year, further guidance on how this provision would be applied prospectively is important to support consistent and compliant implementation. This clarification is necessary to ensure that medical student borrowers do not lose interim legacy exception status because of an LOA that does not adhere to the proposed regulatory framework.

Lifetime Maximum Aggregate Loan Limits (§ 685.203(j)(2))

With respect to the new lifetime maximum aggregate borrowing limit established under the One Big Beautiful Bill Act, the NPRM states: “We propose that any amount of loan funds that have been returned by the institution, or the borrower, would not count against this lifetime maximum aggregate loan limit.”¹ We request confirmation as to whether this provision is intended to align with the current Return of Title

¹ [2026-01912.pdf](#) (Pg. 17)

IV (R2T4) requirements. A legislative update posted in January on the Federal Student Aid Training Center portal² indicates that if a borrower repays a portion of their loans or receives loan forgiveness that reduces their outstanding balance below the aggregate loan limit, the borrower may regain eligibility to borrow up to the remaining amount under that limit.^[REDACTED] Additional clarification is needed regarding the guidance institutions should follow going forward with respect to the lifetime maximum aggregate borrowing limits.

Loan Proration for Less Than Full-time Status (Higher Education Act, Section 455(a)(7)(A))

The proposed regulations stipulate that a student enrolled less than full-time would only be able to borrow up to a prorated annual limit based on the individual borrower's enrollment status. We seek additional guidance on the implementation of the proposed loan proration formula for students who meet this status, including examples and visual resources to support consistent interpretation of the regulations. Further clarification regarding how the formula would be applied across varying academic calendar structures would be particularly helpful to ensure understanding of the new regulatory framework. This clarification is particularly necessary for medical school programs, where academic calendars may vary to accommodate the unique structure and requirements of medical education.

Timing Considerations for Master Promissory Notes (§ 685.201(b))

For purposes of interim legacy exception status, we seek additional clarification regarding the treatment of existing borrowers whose Direct Unsubsidized Loan Master Promissory Notes (MPNs) expire after July 1, 2026. Specifically, if a current borrower executes a new MPN on or after July 1, 2026, would that borrower remain subject to the prior terms applicable at the time of their original borrowing, or would the new MPN subject the borrower to the updated statutory and regulatory terms effective as of that date? This clarification is necessary to ensure that institutions can accurately and effectively counsel existing borrowers in accordance with the new regulatory framework.

Guidance and Training on Preferred Lender List Regulations

Timely and comprehensive training is needed on existing Preferred Lender List regulations following enactment of the OBBBA and its changes to the federal student loan programs. Due to the shifting student aid landscape and recognizing that currently some financial aid administrators may have limited experience operating in an environment where borrowers do not have access to the federal Grad PLUS program, additional training and support will be critical to help them navigate the significant policy and operational changes set forth in the new statute. These shifts are expected to usher in a greater reliance on private loans to cover unmet need beyond new Direct Unsubsidized Loan limits that will result in an increased need for training and resources to ensure financial aid professionals can effectively advise students on available private loan options.

Ensure Public Service Loan Forgiveness Eligibility Extends to All Higher Education Act Section 455 Federal Repayment Plans

We request a technical clarification to ensure that all federal repayment plans authorized under Section 455 of the HEA qualify for Public Service Loan Forgiveness (PSLF). Since 2007, payments made under the 10-year Standard Repayment Plan have counted toward PSLF. However, the new Tiered Standard Repayment Plan is not included among the plans eligible for PSLF within statute. We do not believe this exclusion reflects congressional intent and therefore request a technical correction.

² [FSA Training Center](#)

As written, beginning July 1, 2026, borrowers who enroll in or are placed into the new Tiered Standard Repayment Plan will not receive PSLF credit for those payments. Borrowers who switch from the current Standard Repayment Plan to the new Tiered Standard Repayment Plan will also stop accruing qualifying payments. This exclusion is inconsistent with the treatment of other federal repayment plans, including the Repayment Assistance Plan (RAP), which qualify for PSLF.

For medical students and physicians, who often carry substantial education debt, PSLF supports careers in academic medicine, safety-net institutions, and rural or underserved communities. Clarifying that all repayment plans under Section 455 qualify for PSLF would ensure consistent treatment and prevent the inadvertent loss of qualifying service credit.

Ensure Professional Degree Eligibility for Vital Post-baccalaureate Health Professions Programs

While we appreciate that the proposed rule clearly recognizes Medical Degrees (MDs) within the “professional” category, we are concerned that the proposed definition would exclude other health professions degree programs that are vital to the health workforce and patient care at academic medical centers and other clinical settings nationwide. Many of these excluded professions include applicable licensure or certification, among other important attributes, and make significant contributions to promoting the nation’s health. As we indicated in our comments to the Department in August 2025, we believe it is important to apply a consistent standard that avoids creating disparities in loan limits across health professions because uneven treatment ultimately could limit patient access to necessary health providers. We are concerned that the proposed definition misses this objective.

Given the interconnected and increasingly multidisciplinary nature of health care, we urge the Department to reconsider its proposed approach and explicitly include critical health professions programs that were omitted from the proposed rule. We support the August 2025 comments submitted by the Federation of Associations of Schools of the Health Professions (FASHP) on this issue. We also are aware of numerous individual health professions education organizations that have expressed concern over the Department’s proposed definition, including the American Association of Colleges of Nursing (AACN), the Association of Schools and Programs of Public Health (ASPPH), the American Occupational Therapy Association (AOTA), the Physician Assistant Education Association (PAEA), and the Council on Social Work Education (CSWE), among others. As the Department considers the impact of the “professional” designation and eligibility for loan limits, we encourage engaging health professions education organizations for their expertise.

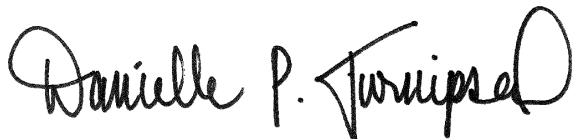
Communication and Staffing for OBBBA Implementation

Finally, we respectfully request that the Department commit to providing timely and consistent communication to students, institutions and the financial aid community regarding student aid changes stemming from enactment of the OBBBA. Ensuring that information on the Office of Federal Student Aid website is promptly updated, along with proactive outreach to prospective and current borrowers on the policy changes presented in clear, accessible and digestible formats, will promote greater understanding and help mitigate confusion over the changes that could discourage students from accessing federal aid. This includes comprehensive training and technical assistance for the financial aid community and other student services administrators to ensure they are effectively prepared to support and guide students in navigating these changes.

Moreover, considering recent structural changes within the Department, we recognize that staffing transitions may be underway and acknowledge the operational challenges such changes can present. We understand these changes are not expected to impact Title IV aid operations. However, our financial aid community would value proactive and transparent communication regarding any anticipated operational or timing considerations that may affect the administration of Title IV aid, including the processing of income-driven repayment plan benefits or PSLF. It is imperative that the Department maintain sufficient staffing levels and operational capacity throughout this transition and implementation period to ensure the effective and timely administration of these changes. The AAMC recognizes that access to Title IV aid is critical to sustaining and strengthening the nation's physician workforce.

The AAMC appreciates your consideration of our comments and requests for clarification. Should you have any questions, please contact my colleagues Kristen Earle (kearle@aamc.org) or Devan O'Toole (dotoole@aamc.org).

Sincerely,



Danielle Turnipseed, JD, MHSA, MPP
Chief Public Policy Officer
Association of American Medical Colleges

Cc: David J. Skorton, MD,
President and CEO

ⁱ The AAMC is a nonprofit association dedicated to improving the health of people everywhere through medical education, clinical care, biomedical research, and community collaborations. Its members are all 160 U.S. medical schools accredited by the [Liaison Committee on Medical Education](#); 13 Canadian medical schools accredited by the [Committee on Accreditation of Canadian Medical Schools](#); nearly 500 academic health systems and teaching hospitals, including Department of Veterans Affairs medical centers; and more than 70 academic societies. Through these institutions and organizations, the AAMC leads and serves America's medical schools, academic health systems and teaching hospitals, and the millions of individuals across academic medicine, including more than 210,000 full-time faculty members, 99,000 medical students, 162,000 resident physicians, and 60,000 graduate students and postdoctoral researchers in the biomedical sciences. Through the Alliance of Academic Health Centers International, AAMC membership reaches more than 60 international academic health centers throughout five regional offices across the globe. Learn more at aamc.org.