

119TH CONGRESS
1ST SESSION

S. 308

To modify the annual and aggregate limits of Federal Unsubsidized Stafford Loans for graduate and professional students, and to terminate Federal Direct PLUS Loans for graduate and professional students, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 29, 2025

Mr. TUBERVILLE (for himself and Mr. CASSIDY) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To modify the annual and aggregate limits of Federal Unsubsidized Stafford Loans for graduate and professional students, and to terminate Federal Direct PLUS Loans for graduate and professional students, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Graduate Opportunity
5 and Affordable Loans Act”.

1 **SEC. 2. LOAN REFORMS.**

2 Section 455 of the Higher Education Act of 1965 (20
3 U.S.C.1087e) is amended—

4 (1) in subsection (a)—

5 (A) in paragraph (3)(A)—

6 (i) in the matter preceding clause (i),
7 by striking “part B” and inserting “part
8 B—”

9 (ii) beginning in the matter preceding
10 clause (i), by striking “for any period” and
11 all that follows through “professional stu-
12 dent” and inserting the following:

13 “(i) for any period of instruction be-
14 ginning on or after July 1, 2012, a grad-
15 uate or professional student”; and

16 (iii) in clause (ii), by inserting “for
17 any period of instruction beginning on July
18 1, 2012 and ending on June 30, 2025
19 (subject to paragraph (4)(C)),” before “the
20 maximum annual”; and

21 (B) by adding at the end the following:

22 “(4) GRADUATE AND PROFESSIONAL ANNUAL
23 AND AGGREGATE LIMITS FOR UNSUBSIDIZED STAF-
24 FORD LOANS BEGINNING JULY 1, 2025.—

25 “(A) ANNUAL LIMITS BEGINNING JULY 1,
26 2025.—Subject to subparagraph (C), beginning

1 on July 1, 2025, the maximum annual amount
2 of Federal Direct Unsubsidized Stafford
3 loans—

4 “(i) a graduate student, who is not a
5 professional student, may borrow in any
6 academic year (as defined in section
7 481(a)(2)) or its equivalent shall be
8 \$20,500; and

9 “(ii) a professional student may bor-
10 row in any academic year (as defined in
11 section 481(a)(2)) or its equivalent shall be
12 \$40,500.

13 “(B) AGGREGATE LIMITS BEGINNING JULY
14 1, 2025.—Subject to subparagraph (C), begin-
15 ning on July 1, 2025, the maximum aggregate
16 amount of Federal Direct Unsubsidized Staf-
17 ford loans—

18 “(i) a graduate student, who is not a
19 professional student, may borrow is
20 \$65,000, in addition to the amount bor-
21 rowed for undergraduate education; and

22 “(ii) a professional student may bor-
23 row is \$130,000, in addition to the amount
24 borrowed for undergraduate education.

“(C) PHASE OUT PROVISIONS.—Notwithstanding the date of the applicability of the limits set forth in this paragraph, an eligible graduate student, including a professional student, who received a disbursement of a Federal Direct Unsubsidized Stafford loan after June 30, 2024, and before July 1, 2025, for the 2024–2025 award year, may receive a Federal Direct Unsubsidized Stafford loan for the 2025–2026 award year in amounts that are subject to the annual and aggregate loan limits applicable prior to July 1, 2025, if the borrower did not graduate prior to the 2025–2026 award year.

“(D) DEFINITIONS.—In this paragraph:

“(i) GRADUATE STUDENT.—The term ‘graduate student’ means a student enrolled in a program at the postbaccalaureate level, such as a postbaccalaureate certificate, a master’s degree, or a doctor’s degree.

“(ii) PROFESSIONAL STUDENT.—The term ‘professional student’ means a student enrolled in a doctor’s degree-professional practice program.

1 “(iii) POSTBACCALAUREATE CERTIFI-
 2 CATE; MASTER’S DEGREE; DOCTOR’S DE-
 3 GREE; DOCTOR’S DEGREE PROFESSIONAL-
 4 PRACTICE.—The terms ‘postbaccalaureate
 5 certificate’, ‘master’s degree’, ‘doctor’s de-
 6 gree’, and ‘doctor’s degree professional-
 7 practice’ shall have the meaning provided
 8 in the 2022–2023 glossary of the Inte-
 9 grated Postsecondary Education Data Sys-
 10 tem (OMB NO. 1859–0582 v. 30).

11 “(5) TERMINATION OF AUTHORITY TO MAKE
 12 FEDERAL DIRECT PLUS LOANS TO GRADUATE AND
 13 PROFESSIONAL STUDENTS.—

14 “(A) IN GENERAL.—Notwithstanding any
 15 other provision of law, for any period of instruc-
 16 tion beginning on or after July 1, 2025, a grad-
 17 uate student (including a professional student)
 18 shall not be eligible to receive a Federal Direct
 19 PLUS Loan under this part for enrollment in
 20 a program of graduate or doctor’s degree pro-
 21 fessional-practice education.

22 “(B) PHASE OUT PROVISIONS.—Not later
 23 than 30 days after the date of enactment of the
 24 Graduate Opportunity and Affordable Loans
 25 Act, each institution of higher education that

1 enrolls graduate students or professional stu-
 2 dents shall notify prospective and enrolled grad-
 3 uate students and professional students that
 4 the Federal Direct PLUS Loan program will
 5 end for graduate students and professional stu-
 6 dents on June 30, 2025.

7 “(C) DEFINITIONS.—The definitions in
 8 paragraph (4)(D) shall apply to this paragraph.

9 “(6) INSTITUTIONALLY-DETERMINED LIMITS.—
 10 Notwithstanding any other provision of this part, an
 11 eligible institution (at the discretion of a financial
 12 aid administrator at the institution) may prorate or
 13 limit the amount of a loan a student who is enrolled
 14 in a program of study at that institution for a pe-
 15 riod of instruction beginning on or after July 1,
 16 2025, may borrow under this part for an academic
 17 year, as long as any proration or limit is applied
 18 consistently to all borrowers entering such program
 19 of study.”.

○