Federal Student Loan Changes For Parents

For loan needs beyond the Direct Subsidized/Unsubsidized loan limit, parents may borrow federal Direct Parent PLUS loans. These loans recently went through a limit change as of July 1st, 2026. Parents who want to borrow more than this limit may use private loans.

	LEGACY BORROWER For families first borrowing for their student's current undergraduate program BEFORE July 1st, 2026	**INCOMING BORROWER** For families first borrowing for their child's current program AFTER July 1st, 2026 or transferring universities
Annual	Up to the cost of attendance (minus other aid, such as scholarships, other loans, etc).	$20,000 per student
Lifetime	No lifetime limit	$65,000 per student

Important Note for Legacy Borrowers:

If your child takes a leave of absence or their program takes longer to complete than originally anticipated, loans taken after their original program end date or that are longer than three years (whichever is shorter) will be subject to the new rules, rather than the legacy rules.

Q: I had one child who falls under the legacy rules timeline, but my younger child falls under the incoming rules. Can I access legacy rules for both?

No. Loan limits are separate for each child.

Repayment Plan Changes:

Parent loans now only have access to one repayment plan, the Standard Repayment Plan. This makes fixed, monthly payments with a timeline based on the amount borrowed.

- 10 years – less than $25,000
- 15 years – $25,000-$49,999
- 20 years – $50,000-$99,999
- 25 years – $100,000+

Undergraduate subsidized/unsubsidized loans will have access to the Income-Driven Repayment Assistance Plan (RAP), but Parent PLUS loans are ineligible to be paid based on income.

Want a summary on all the changes?

See the full list of updates at

juno.us/federalupdates

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