Interim Guidance on Professional Majors

The Cleveland State Financial Aid Office is currently certifying the newly added CIP code major students at the standard graduate loan limit ($20,500/year, $100,000 aggregate) rather than the higher professional limit ($50,000/year, $200,000 aggregate), even though the programs have been added to the Department of Education's (Department) interim professional degree list. Because the list is not final it is not our oversight. These are interim rules and not a *permanent* policy.

Brief history from National Association of Student Financial Aid Administrators (NASFAA):
The Department's original RISE Final Rule (published May 1, 2026) named 11 professional degree fields — law, medicine, pharmacy, dentistry, chiropractic, optometry, osteopathic medicine, podiatry, veterinary medicine, and clinical psychology.

On June 24, 2026, a federal court in Washington, D.C. issued a preliminary stay blocking the Department's narrower definition, ruling it exceeded the authority Congress granted. In response, the Department issued interim guidance on June 29, 2026 (updated July 10) adding roughly 18 additional programs to a temporary list but was explicit that these are "interim administrative designations (…) provided solely to facilitate implementation of the Court's order and may change as litigation in the case proceeds." **The Department also stated it continues to believe its original, narrower rule is lawful and will keep defending it.**

The newly added majors are on the list only because of a preliminary court order, not a final rule. The litigation is ongoing, and the Department has indicated it intends to appeal or otherwise continue contesting the broader definition. In short, this means they want only the original 11 professional programs.

The Department recommended this conservative approach:
On June 26, 2026, the Department issued a Dear Colleague Letter confirming that institutions may set their own program-level loan limits under the Working Families Tax Cuts Act (OB3). In that guidance, the Department specifically suggested that, for programs newly and temporarily classified as professional as a result of the court's order, institutions "may wish to consider (…) limiting loan amounts to the graduate-level caps to mitigate potential disruption to student borrowers resulting from changes in program classification that may arise from the ongoing litigation." This is not the Financial Aid Office being overly cautious — it's the approach the Department itself flagged as the prudent one.

The real risk is for students:
If we certify students at $50,000 now and the litigation is ultimately resolved in the Department's favor, those students would immediately be at-or-over the graduate-level aggregate limit ($100,000). Grad PLUS no longer exists as a gap-filler under OB3, so a student in

that position could face an abrupt funding gap mid-program with no comparable federal option.

<u>Disbursements already made vs. future ones:</u>
The Department's guidance confirms that amounts already disbursed at the higher limit would not need to be returned — but any subsequent disbursement after a reversal must revert to the graduate-level annual amount, and the student's eligibility must be re-evaluated at that time. This could mean losing future eligibility outright. A student who borrowed the higher amount in year one could be cut off entirely by year three.

<u>Direction of the adjustment matters – certifying at the graduate cap now and increasing later:</u>
If the broadened professional classification becomes law, it becomes a straightforward upward adjustment. Certifying higher amounts now and having to return mid-program is disruptive, harder to communicate to students and families, and creates real hardship for students who have already budgeted around the higher amount.

This is a temporary, risk-conscious approach; we are protecting the newly, and unofficially, added CIP code major students from a funding cliff that could hit mid-program if the current interim classification does not hold.

We are actively monitoring the litigation, via NASFAA and the Department, and will move to the higher limit as soon as the classification is final and durable, not merely provisional.