



# FEDERAL STUDENT LOAN CHANGES



AUBURN  
Enrollment Management

## WHAT STUDENTS NEED TO KNOW

STARTING FALL 2026

### OVERVIEW

Beginning in Fall 2026, the amount of federal student loans you can receive **will depend on how many degree-required credit hours you take each term.**

You must still be enrolled at least half time to qualify for federal student loans. However, being **half time does NOT guarantee your full loan amount anymore.**

### HOW WAS IT BEFORE?

Before Fall 2026:

- As long as you were enrolled at least half time, you could receive your full federal loan amount, even if you were not full time.

### WHAT'S DIFFERENT NOW?

Starting Fall 2026:

- To receive your full loan amount, you must be enrolled full time in degree-required courses.
- If you are enrolled less than full time, your loan will be reduced.
- The reduction is based on how many degree-required credit hours you take compared to full-time enrollment for the year.

**Bottom line: Fewer credit hours = reduced loan disbursement.**

### HOW IS MY LOAN AMOUNT CALCULATED?

Your loan amount for each term is calculated using this formula:

Your degree-required credit hours  $\div$  Full-time credit hours for the year = Percentage of your annual loan you can receive

### UNDERGRADUATE STUDENT EXAMPLE

A junior/senior student is eligible for \$7,500 in federal student loans for the year. Full-time enrollment for fall and spring is 24 credit hours total.

Fall

- Enrolled in 6 credit hours
- $6 \div 24 = 25\%$
- Loan received: \$1,875

Spring

- Enrolled in 9 credit hours
- $9 \div 24 = 37.5\%$
- Loan received: \$2,812

Total loan for the year: \$4,687 (not the full \$7,500 because the student was not full time)



## GRADUATE STUDENT EXAMPLE

A graduate student is eligible for \$20,500 in federal student loans for the year. Full-time enrollment for fall and spring is 18 credit hours total.

Fall

- Enrolled in 6 credit hours
- $6 \div 18 = 33\%$
- Loan received: \$6,765

Spring

- Enrolled in 9 credit hours
- $9 \div 18 = 50\%$
- Loan received: \$10,250

Total loan for the year: \$17,015 (not the full \$20,500 because the student was not full time)

## DOES THIS APPLY TO ALL LOANS?

This change affects:

- Direct Subsidized Loans
- Direct Unsubsidized Loans
- Graduate PLUS Loans (for legacy borrowers)

Parent PLUS Loans are not affected.

## WHAT HAPPENS IF I DROP OR WITHDRAW FROM A CLASS?

Dropping or withdrawing from classes may:

- Reduce your current loan amount
- Reduce future loan disbursements
- Affect your eligibility for federal aid

Always check with an advisor or the Office of Financial Aid and Scholarships before changing your schedule.

## WHAT SHOULD I DO TO PROTECT MY FINANCIAL AID?

- Enroll full time in degree-required courses if possible
- Plan your schedule carefully
- Contact our office if you have questions about how your enrollment affects your aid and before dropping or withdrawing from a class.

## NEED HELP?

If you have questions about how your enrollment affects your financial aid, contact the Office of Financial Aid and Scholarships.

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