Federal Student Aid Program Summary 2026-27

The following chart details the main federal student aid programs administered by the U.S. Department of Education (ED). Eligibility criteria listed are program-specific and in addition to Title IV general student eligibility criteria. Not all schools participate in all of the programs listed.

Program	Description	Application	Annual/Aggregate Amounts	Program-Specific Eligibility	Repayment Required
Federal Pell Grant	• Need-based grants based on highest financial need as expressed by lowest student aid index (SAI) • Portable • Schools receive Federal Pell Grant funds from ED as needed to pay eligible students	Free Application for Federal Student Aid (FAFSA) required annually	• Annual minimum and maximum vary, as set by Congress[1] • $740 minimum for 2026-27 • $7,395 maximum for 2026-27 • Limited to a maximum of 6 Scheduled Awards or its equivalent (e.g., 12 full-time semesters)	• Undergraduate students without first baccalaureate or professional degree • Certain students enrolled in a postbaccalaureate teacher certification program • The Special Rule for Pell Grants replaces the Iraq and Afghanistan Service Grant (IASG) and the Children of Fallen Heroes (CFH) with new or modified eligibility criteria for a student who is less than 33 years old as of January 1 of the FAFSA award year and whose parent or guardian died in the line of duty while: ➢ Serving on active duty as a member of the Armed Forces on or after September 11, 2001; or ➢ Actively serving as and performing the duties of a public safety officer • Students with intellectual disabilities enrolled in comprehensive transition and postsecondary programs • Incarcerated students enrolled in eligible prison education programs	No[2]

[1]According to DCL GEN-26-01, the Pell Grant maximum and minimum amounts may be adjusted based on appropriations for the 2026-27 award year.

[2]Title IV grants do not have to be paid back as a general rule. However, if the student withdraws from school, they may have to pay back some or all of the grant(s). See Volume 5 of the *FSA Handbook* for additional information.

Program	Description	Application	Annual/Aggregate Amounts	Program-Specific Eligibility	Repayment Required
Federal Pell Grant (cont'd)				**Effective July 1, 2026:** • Workforce Pell Grant for students enrolled in eligible programs that prepare students for entry-level employment • SAI cannot exceed twice the maximum Pell Grant amount (except for students qualifying under Special Rule for Pell Grants) • Students are not eligible if they receive scholarships and grants from nonfederal sources that cover full COA	
Teacher Education Assistance for College and Higher Education (TEACH) Grant	• Non-need-based grant program • Portable, depending on institutional participation	• FAFSA required annually • TEACH Agreement to Serve or Repay (Agreement)	• $4,000 annual maximum • When sequestration is in effect, reduced by 5.7% when first disbursed on or after 10/1/20 and before 10/1/26[3] • $16,000 undergraduate aggregate limit (includes postbaccalaureate) • $8,000 graduate aggregate limit • Sequestration has no impact on aggregate limits	• Maintain 3.25 GPA on a 4.0 scale (or numeric equivalent), or have scored above 75th percentile on any single battery of nationally normed undergraduate, postbaccalaureate, or graduate standardized admissions test • GPA/score requirements do not apply to: ➢ Current teachers working on graduate degrees or retirees from other occupations with expertise in high-need fields working on graduate degrees ➢ Current or retired teachers completing a high-quality alternate route teacher certification program • Agree to teach full time in a high-need field for at least 4 years within 8 years of ceasing enrollment at the school where the grant was received, at a school serving a high percentage of low-income students (For example: Title I schools)	Repayment required if student does not fulfill teaching requirement; grant funds become a Direct Unsubsidized Loan

[3]The sequestration reductions for aid disbursed after 10/1/26 were not available at the time of publication.

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Program	Description	Application	Annual/Aggregate Amounts	Program-Specific Eligibility	Repayment Required
Federal Supplemental Educational Opportunity Grant (FSEOG)	• Need-based campus-based grant program • Recipients designated by institution	FAFSA required annually	• $100 annual minimum (may be prorated for less than full-year enrollment) • $4,000 annual maximum (students on approved study abroad programs may receive up to $4,400) • No aggregate limit	• Undergraduate students without baccalaureate or professional degree • Students with intellectual disabilities enrolled in comprehensive transition and postsecondary programs • Priority given to Federal Pell Grant recipients with "exceptional financial need"	No[4]
Federal Work-Study (FWS)	• Need-based campus-based employment program • Funds offered by institution	FAFSA required annually	• No minimum or maximum • Offer amount is dictated by school policy	• Undergraduate and graduate students • Students with intellectual disabilities enrolled in comprehensive transition and postsecondary (CTP) programs • Students enrolled at least half time in coursework required by a state for teacher certification	No

[4]Title IV grants do not have to be paid back as a general rule. However, if the student withdraws from school, they may have to pay back some or all of the grant(s). See Volume 5 of the *FSA Handbook* for additional information.

Program	Description	Application	Annual/Aggregate Amounts	Program-Specific Eligibility	Repayment Required
Federal Direct Student Loan (Direct Loan)—Base Subsidized and Unsubsidized Direct Loans	• Originated by school and paid using funds from federal government • Need-based subsidized loan, supplemented by non-need-based unsubsidized loan up to combined limit • 6.39% fixed interest rate for undergraduate subsidized loans first disbursed on or after 7/1/25 and before 7/1/26[5] • 1.057% origination fee when first disbursed on or after 10/1/20 and before 10/1/26[5]	• FAFSA required annually; • Master Promissory Note (MPN) • Entrance counseling (if first-time borrower) • Annual Student Loan Acknowl-edgement (ASLA) is optional	**Annual Loan Limits** • $3,500 1st-year undergraduates • $4,500 2nd-year undergraduates • $5,500 each remaining undergraduate year • Undergraduate annual limits prorated for programs and remaining periods of enrollment less than an academic year • $2,625 for preparatory coursework necessary to enroll in undergraduate program • $5,500 for preparatory coursework necessary to enroll in graduate or professional degree program if already have baccalaureate • $5,500/year for teacher certification if already have baccalaureate • Actual amount of subsidized loan cannot exceed COA – SAI – OFA (Other Financial Assistance) • Actual amount of unsubsidized loan cannot exceed COA – OFA **Aggregate Loan Limits** • $23,000 undergraduate aggregate subsidized limit • $65,500 combined undergraduate and graduate aggregate subsidized limit	• Undergraduate students enrolled at least half time • Graduate and professional students enrolled at least half time are only eligible for base unsubsidized • Must first have determination of eligibility/ineligibility for Federal Pell Grant (undergraduates) • Must determine eligibility for subsidized loan before determining eligibility for unsubsidized loan (undergraduates) • Except for subsidized loans disbursed between 7/1/12 and 6/30/14, interest subsidy for undergraduates during at least half-time enrollment, grace period for certain loans, and deferment periods for subsidized loan • Unsubsidized loan funds may be used to replace SAI • Under certain conditions to students enrolled in: ➢ Coursework required by a state for teacher certification ➢ Preparatory coursework (eligibility limited to one consecutive 12-month period) **Effective July 1, 2026:** • Starting with 2026-27, loans reduced for less-than-full-time enrollment (all students) • Schools may establish program-level loan limits lower than federal limits	• Yes, begins 6 months after cessation of at least half-time enrollment • Deferment possible • Interest accrues on unsub-sidized loan from date of disburse-ment

[5]Interest rates will adjust each year based upon the 10-Year Treasury Bill Index and an add-on. The interest rate for first disbursements on or after 7/1/26 and before 7/1/27, as well as the origination fee for loans first disbursed on or after 10/1/26 and before 10/1/27 had not been announced when these materials were finalized.

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Program	Description	Application	Annual / Aggregate Amounts	Program-Specific Eligibility	Repayment Required
Direct Loan—Additional Unsubsidized Direct Loan	• Non-need-based loan • Limits are in addition to the "base" limits for the subsidized and unsubsidized loans described above • Actual amount of loan cannot exceed COA minus other aid including loans received under base limit • 6.39% fixed interest rate for undergraduate loans first disbursed on or after 7/1/25 and before 7/1/26[6] • 7.94% fixed interest rate on graduate loans first disbursed on or after 7/1/25 and before 7/1/26[6]	• FAFSA required annually • Master Promissory Note (MPN) • Entrance counseling (if first-time borrower) • Annual Student Loan Acknowl-edgement (ASLA) is optional	**Annual Loan Limits** *Dependent undergraduates whose parents **can borrow** a PLUS*: • $2,000/year • Undergraduate annual limits prorated for programs or remaining periods of enrollment less than an academic year *Independent undergraduates and dependent undergraduates whose parents **cannot borrow** a PLUS*: • $6,000/year 1st and 2nd undergraduate year • $7,000 each remaining undergraduate year • Undergraduate annual limits prorated for programs or remaining periods of enrollment less than an academic year • $7,000/year for teacher certification • $6,000 for preparatory coursework necessary to enroll in undergraduate program • $7,000 for preparatory coursework necessary to enroll in graduate or professional degree program	• Undergraduate and graduate students enrolled at least half time • Must have determination of eligibility/ineligibility for Federal Pell Grant (undergraduate) • Must determine eligibility for subsidized loan before determining eligibility for additional unsubsidized loan (undergraduate) • May be used to replace SAI • Under certain conditions to students enrolled in: ➢ Coursework required by a state for teacher certification programs ➢ Preparatory coursework (Direct Loan eligibility limited to one consecutive 12-month period) **Effective July 1, 2026:** • Starting with 2026-27, loans prorated for less-than-full-time enrollment (all students) • Schools may establish program-level loan limits lower than federal limits	Yes, same as subsidized and unsubsidized Direct Loan

[6]Interest rates will adjust each year based upon the10-Year Treasury Bill Index and an add-on. The interest rate for first disbursements on or after 7/1/26 and before 7/1/27, as well as the origination fee for loans first disbursed on or after 10/1/26 and before 10/1/27 had not been announced when these materials were finalized.

Program	Description	Application	Annual / Aggregate Amounts	Program-Specific Eligibility	Repayment Required
Direct Loan—Additional Unsubsidized Direct Loan (continued)	• 1.057% origination fee when first disbursed on or after 10/1/20 and before 10/1/26[7]		**Annual Loan Limits (cont'd):** *Graduate students:* • $20,500/year *Professional students:* • $50,000/year[8] **Aggregate Loan Limits** • *Dependent undergraduates whose parents **can borrow** PLUS*: $31,000 minus outstanding subsidized amounts • *Independent undergraduates and dependent undergraduates whose parents **cannot borrow** PLUS*: $57,500 minus outstanding subsidized amounts • *Graduate students*: $100,000[8] • *Professional students* (including loans for graduate study): $200,000[8] **Lifetime Loan Limit** (excluding parent PLUS borrowed on behalf of a dependent undergraduate): $257,500[8]	• Graduate and professional aggregate limits do not include loans borrowed for undergraduate study • Legacy provision for graduate and professional students with loans made prior to July 1, 2026, allows borrowing under previous annual/aggregate loan limits for 3 academic years or remaining time to credential, whichever is less	

[7]The interest rate for first disbursements on or after 7/1/26 and before 7/1/27, as well as the origination fee for loans first disbursed on or after 10/1/26 and before 10/1/27 had not been announced when these materials were finalized.
[8]Limit effective for loans borrowed on or after July 1, 2026.

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Program	Description	Application	Annual / Aggregate Amounts	Program-Specific Eligibility	Repayment Required
Direct PLUS	• Originated by school with funds from federal government • 8.94% fixed interest rate when first disbursed on or after 7/1/25 and before 7/1/26[9] • 4.228% origination fee when first disbursed on or after 10/1/20 and before 10/1/26[9]	• FAFSA required annually • PLUS Master Promissory Note (MPN) • Entrance counseling (only for graduate/ professional borrowers who have not previously received a Direct Loan) • Annual Student Loan Acknowl-edgement (ASLA) is optional	**Annual Loan Limits:** *Parent borrowers on behalf of a dependent undergraduate:* • $20,000/year per dependent (combined limit)[10] • Parent may not borrow more than difference between COA and OFA student is expected to receive **Aggregate Loan Limits:** *Parent borrowers on behalf of a dependent undergraduate:* • $65,000 per dependent student (combined limit) [10]	• Natural and adoptive parents (and stepparents if included on FAFSA) of eligible dependent undergraduates enrolled at least half time • No adverse credit history • Parent borrower must: ➢ Not be in default on a federal loan or owe a repayment on federal student aid ➢ Be a U.S. citizen or eligible noncitizen ➢ Not be incarcerated ➢ Have fully repaid any fraudulently obtained Title IV funds • May be used to replace SAI • Under certain conditions for enrollment in preparatory coursework or coursework required by a state for teacher certification • Effective July 1, 2026, graduate PLUS is eliminated (except for legacy borrowers) • Legacy provision for borrowers (parent and graduate and professional students) with PLUS loans made prior to July 1, 2026, allow borrowing under previous loan limits for 3 academic years or remaining time to credential, whichever is less	Yes, first payment due within 60 days after loan is fully disbursed Deferment possible

[9]Interest rates will adjust each year based upon the10-Year Treasury Bill Index and an add-on. The interest rate for first disbursements on or after 7/1/26 and before 7/1/27, as well as the origination fee for loans first disbursed on or after 10/1/26 and before 10/1/27 had not been announced when these materials were finalized.
[10]Limit effective for loans borrowed on or after July 1, 2026.