

# Determining Federal Student Loan Eligibility in 2026-2027 and Beyond

## Undergraduate Students

New federal regulations governing how student loan eligibility is determined go into effect for the 2026-2027 academic year. These regulations, from the One Big Beautiful Bill, require that all federal student loans be prorated for students who are enrolled less than full-time.

Here is a brief description of how the maximum loan eligibility is calculated for each individual student:

**1) Determine grade level, dependency status, and base annual loan maximum:**

Undergraduate Students Federal Annual Loan Maximums (Includes total subsidized and unsubsidized loans) <i>Assumes the student has remaining aggregate maximum loan debt available sufficient to allow for the annual loan maximum</i>			
Dependency Status per FAFSA	Year 1	Year 2	Year 3
Dependent	\$5500	\$6500	\$7500
Independent	\$9500	\$10500	\$12500
	Not more than \$3500 Subsidized	Not more than \$4500 Subsidized	Not more than \$5500 Subsidized

**2) Determine the number of terms the student will be expected to enroll in for the academic year.** We will use the most recent available Academic Plan as determined by the Academic Advisor.

**3) Calculate what equates to Full-Time total enrollment for the student’s expected terms of enrollment (minimum for the entire academic year):**

Level	Scheduled to Enroll in 1 Term of the AY	Scheduled to Enroll in 2 Terms of the AY	Scheduled to Enroll in all 3 Terms of the AY
Undergraduate	12	24	36

**4) Schedule of Reduction Calculation (SOR)**

- a. Number of total expected credits (from the Academic Plan) for the student’s academic year divided by the Full-Time total enrollment for the student’s expected terms of enrollment (academic year).
  - i. For example: A dependent undergraduate student in Year 2 of the program is expected to be enrolled in 3 terms of the academic year. Therefore, the Full-Time total enrollment for the academic year would be 36.

1. If the student’s academic plan indicates that they will be enrolled in:

Fall	12 credits
Spring	14 credits
Summer	8 credits
<b>Total Expected Credits for the AY</b>	<b>34 credits</b>

2. 34 expected credits divided by total full-time credits for the academic year (36):

$$\frac{34}{36} = 94\%$$

3. The re-calculated maximum amount of federal loan eligibility for the academic year would be:

- a.  $\$6500 * 94\% = \$6110$

- i. This amount would then be divided equally over each of the three enrollment terms of the academic year.

## A few things to keep in mind:

- A student who is not enrolled in at least half-time credits in a semester will not receive that semester's portion of the calculated loan eligibility.
  - **Half-time for undergraduate students is 6 credits**

<b>Example:</b> <b>Academic Plan:</b> Fall 12 credits, Spring 12 credits, Summer 4 credits = 28 total expected credits SOR = 28/36 (total Full-Time credits for the academic year) = 78% Student is an undergraduate, sophomore (Year 2), dependent = federal maximum of \$6500 $\$6500 * 78\% = \$5070$ new academic year maximum for this student ( $\$5070/3=\$1690$ per semester)	
Fall Loan	\$1690
Spring Loan	\$1690
Summer Loan	\$0 (student is less than half-time)

- Any change to the student's expected credits earned/attempted for the academic year will require a recalculation of the SOR and may result in further loan adjustments for the remainder of the academic year. It is strongly recommended that students considering dropping/withdrawing from a course discuss the possible repercussions the change in enrolled credits may have on federal student loan eligibility for future terms of the academic year with the financial aid office.

**Questions?** Please stop in the One-Stop Shop, Room 106, Eaton Road or e-mail the financial aid staff at [financialaid@bellincollege.edu](mailto:financialaid@bellincollege.edu)

