NATIONAL BOARD FOR CERTIFIED COUNSELORS AND AFFILIATES

RISE Final Rule: What It Means for Counseling Students

What is the RISE final rule?

The Reimagining and Improving Student Education (RISE) final rule restructures the federal student loan system. It implements changes from the One Big Beautiful Bill Act (OBBBA) and significantly changes how graduate and professional students borrow and repay federal loans.

What does this mean for students in Counseling degree programs?

- **Borrowing Limits:**
    - Students in disciplines designated "graduate" (including master's-level Counseling students) may borrow up to $20,500 per year, with a $100,000 aggregate limit.
    - Students in 11 fields designated "professional"—including clinical psychology, law, medicine, and theology—may borrow up to $50,000 per year, with a $200,000 aggregate limit.
    - Grad PLUS loans are eliminated, meaning federal student aid may no longer cover the full cost of attending a master's-level Counseling program.
    - A new $257,500 lifetime cap applies to all federal loans borrowed on or after July 1, 2026.
    - Institutions may establish program-specific loan limits, applied uniformly to all enrolled students.
- **Repayment and Forgiveness:**
    - Income-Contingent Repayment (ICR), Pay As You Earn (PAYE), and Saving on a Valuable Education (SAVE) will be replaced by a new Repayment Assistance Plan (RAP).
    - RAP waives unpaid interest when a borrower's on-time payments do not fully cover accruing interest.
    - RAP payments count toward Public Service Loan Forgiveness (PSLF)—critical for Counselors working in nonprofit and public-sector settings.
    - The new tiered standard plan is the only fixed repayment plan for new direct loan borrowers after July 1, 2026.
    - Beginning July 1, 2027, borrowers in default may rehabilitate each loan up to two times.

Note: Students enrolled before July 1, 2026, who have already received a loan for their current program may continue borrowing under the prior (pre-OBBBA) limits for the lesser of 3 years or the program's expected time to credential.

FAQ

- **Q: Is Counseling considered a "professional" degree under the higher $200,000 cap?**

  A: No. The Department of Education (ED) listed 11 fields (medicine, law, dentistry, pharmacy, veterinary medicine, optometry, osteopathic medicine, podiatry, chiropractic, theology, and clinical psychology) as "professional" degree programs. Master's-level Counseling programs are classified under the "graduate" loan limits.

- **Q: I am starting my master's program in Fall 2026. How much will I be able to borrow in federal student loans?**

  A: As a graduate student, you may borrow up to $20,500 annually through Direct Unsubsidized Loans, with a $100,000 aggregate cap. Because Grad PLUS loans are no longer available, any remaining gap between federal aid and your cost of attendance may need to be covered through scholarships, savings, employer assistance, or private loans.

- **Q: I'm already enrolled in a master's-level program. Will the new caps apply to me?**

  A: If you enrolled before July 1, 2026, and already received a loan for that program, you may continue borrowing under the prior loan limits for up to 3 years or your expected time to credential, whichever is shorter.

- **Q: What happens to my SAVE, PAYE, or ICR repayment plan?**

  A: These repayment plans are being replaced by RAP and the new tiered standard plan, which will be available to both new and existing borrowers beginning July 1, 2026. RAP includes an unpaid-interest waiver for borrowers making on-time payments and continues to count toward Public Service Loan Forgiveness (PSLF) eligibility.

- **Q: I plan to work in nonprofit or public-sector Counseling. Will PSLF still exist?**

  A: Yes. PSLF remains, and on-time RAP payments qualify toward the 120 payments needed for forgiveness. This remains especially relevant for Counselors employed in qualifying public service settings.

- **Q: Could these policies still change?**

  A: Possibly. Legal challenges to portions of the rule have begun, and bipartisan legislation aimed at restoring or expanding graduate borrowing access has already been introduced. However, significant near-term changes are considered unlikely.

Legislative Activity:

- Following the June 24 court order preliminarily staying key portions of the RISE rule, the Department of Education issued interim guidance on June 29 temporarily restoring professional degree designation for several graduate health profession programs. However, Counseling programs were not included, and the Department has stated these designations may change as litigation proceeds.
- A Congressional Review Act (CRA) resolution has been introduced by Rep. Suzanne Bonamici (D-OR), Sen. Jeff Merkley (D-OR), Rep. John Mannion (D-NY), Rep. Lauren Underwood (D-IL), and Sen. Angela Alsobrooks (D-MD) to disapprove the RISE rule entirely.
- Several bills have been introduced to modify or expand the distinction between “professional” and “graduate” degree programs. While passage in the current Congress appears unlikely in the near term, these proposals demonstrate continued bipartisan attention to graduate student borrowing limits.

Bill name and Sponsor	Purpose
Professional Student Degree Act Rep. Mike Lawler (R-NY-17)	Would add 13 programs to the Department of Education’s professional degree list. Although Counseling is not specifically named, the bill includes language that could allow additional qualifying degrees—including Counseling—to be recognized.
Professional Degree Restoration Act Rep. Ritchie Torres (D-NY-15) and Sen. Angela Alsobrooks (D-MD)	Would reverse the federal loan limits imposed by OBBBA.
Loan Equity for Advanced Professionals (LEAP) Act Rep. Timothy Kennedy (D-NY-26)	Would increase annual federal loan limits for all graduate students, helping reduce funding gaps caused by the elimination of Grad PLUS loans regardless of degree classification.

Get involved:

- Check whether you are a constituent of one of the 10 key Republican senators and contact their office to urge them to cosponsor the CRA resolution overturning the RISE rule.
- Contact your members of Congress and encourage them to support restoring professional degree status for Counseling programs.
- Sign up for NBCC Action Alerts to stay informed about advocacy efforts related to the RISE final rule and other federal policy issues affecting the Counseling profession.

Sources:

1. ED RISE Fact Sheet: https://www.ed.gov/media/document/rise-final-rule-fact-sheet-113947.pdf
2. Federal Registrar: https://www.federalregister.gov/documents/2026/05/01/2026-08556/reimagining-and-improving-student-education-federal-student-loan-program-final-regulations