APLU ANALYSIS OF FINAL ONE BIG BEAUTIFUL BILL ACT

Provisions of Greatest Direct Impact to Public Research Universities

The chart below compares the original One Big Beautiful Bill Act passed by the House of Representatives on May 22, 2025, bills released by three Senate committees, and the **final measure** sent to the White House for President Trump's signature on July 3, 2025.

AGRICULTURE

ORIGINAL HOUSE-PASSED PROVISIONS OF INTEREST	SENATE AGRICULTURE COMMITTEE PRINT	FINAL MEASURE
SNAP-Ed		
Sec. 10011 - Eliminates the SNAP Nutrition Education and Obesity Prevention Grant Program (SNAP-ED).	**Sec 10107** - No change from House provision except program authorization is not eliminated. SNAP-ED funding will sunset with FY2025.	Senate Committee Print
Research		
Sec. 10104 - Provides $1.125 billion over nine years to the Research Facilities Act, starting in FY2026. The Research Facilities Act has been a long-standing request of APLU and would provide needed grant funding to universities to modernize facilities and update infrastructure. This bill provides $125 million per year for nine years (FY2026-FY2034) for such grants. Authorizes and funds the so-called Farm Bill "Orphan Programs," or those programs without a baseline budget in the Farm Bill. Continued funding for these programs was not included in the December 2024 Farm Bill extension. The bill provides that continued funding includes $37 million to the Foundation for Food and Agriculture Research; $60 million for the Scholarships for Students at 1890 Institutions program; and $175 million for the Specialty Crop Research program for FY2026.	**Sec 10604** - Senate provisions are the same as House.	No changes from House/Senate Committee language

EDUCATION AND WORKFORCE COMMITTEE/HEALTH, EDUCATION, LABOR, AND PENSIONS (HELP)

ORIGINAL HOUSE-PASSED PROVISIONS OF INTEREST	SENATE HELP COMMITTEE PRINT	FINAL MEASURE
Subtitle A – Student Eligibility		
Sec. 30001 - Student eligibility - Updates Title IV eligibility for grants, loans, and work-study based on certain immigration status, removing access from eligible noncitizens such as refugees, asylees, parolees, and conditional permanent residents, while adding access to federal aid for certain Cuban immigration petitioners awaiting full visa status. The effective date would be July 1, 2025 for the 2025-2026 award year onward.	**Sec. 80001 - Student eligibility** - Identical to House language. The effective date would be July 1, 2026 for the 2026-2027 award year onward.	Not Included in the Final Measure
Sec. 30002 - Amount of need; cost of attendance; median cost of college - Defines the median cost of college, which is the basis for determining a student's amount of need beginning in the 26-27 award year. The median cost of college is determined on a program-by-program basis at the degree level across all institutions offering that program in the previous year by cost of attendance. The six digit CIP code is used to group programs for determining the median cost. Further clarifies that the amount of need equals the median cost of college at the program level minus calculated student aid index and other applicable aid beginning in the 26-27 award year and amends the cost of attendance definition to be based on program of study rather than credit hour workload.	N/A	Not Included in the Final Measure
Exemption of Certain Assets – Restores the exemption of farm and small business assets from student aid eligibility calculations. The effective date would be July 1, 2026 for the 2026-2027 award year onward.	**Sec. 80002. Exemption of Farm and Small Business Assets** Identical to House Language	**Sec. 80001. Exemption of Certain Assets** Restores the exemption of farm and small business assets from student aid eligibility calculations. Adds a new exemption for commercial fishing business and related expenses, including family-owned fishing vessels and permits. The effective date would be July 1, 2026 for the 2026-2027 award year onward.
Subtitle B – Loan Limits. (See Appendix for a Chart Comparing Loan Limit Details for Current Law, House, and Senate Reconciliation Bills)		
Sec. 30011 – Loan Limits	**Sec. 81001. Establishment of Loan Limits for Graduate and Professional Students and Parent Borrowers; Termination of Graduate and Professional PLUS Loans.**	**Sec. 81001. Establishment of Loan Limits for Graduate and Professional Students and Parent Borrowers; Termination of Graduate and Professional PLUS Loans.**
Termination of Authority to Make Subsidized Undergraduate Loans – Eliminates federal subsidized direct Stafford loans for undergraduates beginning July 1, 2026. Includes a three-year exception for students already receiving subsidized loans if enrolled as of June 30, 2026.	N/A	Not Included in the Final Measure
Termination of Authority to Make Federal Direct PLUS Loans to Any Student Borrower – Both bills eliminate Graduate PLUS Loans beginning July 1, 2026	**Termination of Authority to Make Federal Direct PLUS Loans to Graduate and Professional Students** Eliminates Graduate PLUS Loans beginning July 1, 2026	No Changes from House/Senate Committee Measures (Graduate PLUS Loans are Eliminated)
Restriction on Authority to Make Federal Direct PLUS Loans to Any Parent Borrower – Maintains Parent PLUS loans with new restrictions. Beginning July 1, 2026, requires that a parent may only take a Parent PLUS loan on behalf of a student that borrows the maximum annual limit of federal unsubsidized Stafford loan, and that the student still has remaining unmet need because this maximum annual Stafford loan amount is less than the cost of attendance of the program of study.	N/A	Not Included in the Final Measure

Annual and Aggregate Federal Direct PLUS Loan Limits for Parent Borrowers — Beginning July 1, 2026, limits annual Parent PLUS borrowing to the student's program cost off attendance minus the maximum unsubsidized Stafford limit. Limits aggregate Parent PLUS borrowing to $50,000, without regard for the number of dependents.	**Parent Borrower Annual and Aggregate Limits for Federal Direct PLUS Loans Beginning July 1, 2026** Maintains Parent PLUS loans with new restrictions. Beginning July 1, 2026, parent may borrow no more than $20,000 per dependent student per year, subject to a new aggregate limit of $65,000 per dependent student.	**Parent Borrower Annual and Aggregate Limits for Federal Direct PLUS Loans Beginning July 1, 2026** Clarifies all parents (combined) of each individual student may borrow no more than $20,000 for that dependent student per year, subject to a new aggregate limit of $65,000 for that dependent student.
Annual Limits for Undergraduate Unsubsidized Stafford Direct Loans - Beginning on July 1, 2026, caps the maximum annual level of federal direct unsubsidized Stafford loans for undergraduates at the median cost of college for their enrolled program of study, minus their Pell Grant for the academic year.	N/A; Maintains current law annual limits on Unsubsidized Stafford Direct Loans	N/A; Maintains current law annual limits on Unsubsidized Stafford Direct Loans
Aggregate Limits for Undergraduate Unsubsidized Stafford Direct Loans – Creates a new $50,000 aggregate limit on direct unsubsidized Stafford loan borrowing, beginning July 1, 2026.	N/A; Maintains current law aggregate limits on Unsubsidized Stafford Direct Loans	N/A; Maintains current law annual limits on Unsubsidized Stafford Direct Loans
Annual Limits for Graduate and Professional Unsubsidized Stafford Direct Loans – Beginning July 1, 2026, caps the maximum annual Unsubsidized Stafford loan borrowing at the median cost of college for the enrolled program of study.	**Annual Limits for Graduate and Professional Unsubsidized Stafford Direct Loans** – Beginning July 1, 2026, caps the maximum annual Unsubsidized Stafford loan borrowing at $20,500 for graduate students and $50,000 for professional students	**Annual Limits for Graduate and Professional Unsubsidized Stafford Direct Loans** Same as original Senate HELP Committee version
Aggregate Limits for Graduate and Professional Students – Beginning July 1, 2026, separates undergraduate and graduate/professional aggregate loan limits and creates a new maximum aggregate graduate loan limit for direct unsubsidized Stafford loans of $100,000 for graduate students and $150,000 for professional students. Clarifies that a student who is both a graduate and a professional student at different points in their career may only borrow up to $150,000 in total for graduate and professional school. Includes flight school within the definition of professional students.	**Aggregate Limits for Graduate and Professional Unsubsidized Stafford Direct Loans** – Beginning July 1, 2026, separates undergraduate and graduate/professional aggregate loan limits and creates a new maximum aggregate graduate loan limit for direct unsubsidized Stafford loans of $100,000 for graduate students and $200,000 for professional students. Clarifies that a student who is both a graduate and a professional student at different points in their career may only borrow up to $200,000 in total for graduate and professional school. To define professional degree, references 34 CFR Sec. 668.2, which includes Pharmacy (Pharm.D.), Dentistry (D.D.S. or D.M.D.), Veterinary Medicine (D.V.M.), Chiropractic (D.C. or D.C.M.), Law (L.L.B. or J.D.), Medicine (M.D.), Optometry (O.D.), Osteopathic Medicine (D.O.), Podiatry (D.P.M., D.P., or Pod.D.), and Theology (M.Div., or M.H.L.).	**Aggregate Limits for Graduate and Professional Unsubsidized Stafford Direct Loans** Same as original Senate HELP Committee version
Less than Full-Time Enrollment – For students enrolled less than full-time, ratably reduces the annual borrowing limit, rounded to the nearest percentage point. The Secretary would release this table annually.	**Less than Full-Time Enrollment** Identical to House provision	**Less than Full-Time Enrollment** No Changes from House/Senate Committee Measures
Lifetime Maximum Aggregate Amount for All Students – Sets a new lifetime maximum aggregate federal borrowing limit of $200,000 for all students, beginning July 1, 2026. This new borrowing limit would not be affected by any amount of loan repayment, forgiveness, cancellation, or discharge. This new borrowing limit would not apply where the student is also borrowing Parent PLUS loans on behalf of their dependent student.	**Lifetime Maximum Aggregate Amount for All Students** – Sets lifetime maximum aggregate borrowing limit at $257,500. Otherwise, same as House provision.	**Lifetime Maximum Aggregate Amount for All Students** Same as original Senate HELP Committee version
Institutionally Determined Limits – Allows institutions (at the discretion of their financial aid administrator) to set separate lower annual loan limits, as long as the limits are applied consistently by program of study.	**Institutionally Determined Limits** Identical to House provision	**Institutionally Determined Limits** No Changes from House/Senate Committee Measures

Subtitle C – Loan Repayment		
Sec. 30021 - Loan Repayment Repeals income-contingent repayment (ICR plans), which include repayment plans established by the Biden administration: the Pay-As-You-Earn (PAYE) repayment plan and the Saving on a Valuable Education (SAVE) plan. Requires the Secretary to transfer borrowers enrolled in the plans subject to court injunction into the existing HEA statutorily authorized income-based repayment plan (IBR), or may choose HEA fixed repayment options or the new repayment assistance plan below. For borrowers with loans before July 1, 2026, keeps current repayment options except ICR plans. Amends IBR terms to require payments of at least 15 percent of income. Requires borrowers to pay a maximum of 240 qualifying payments for undergraduate borrowers (20 years) or 300 qualifying payments for graduate borrowers (25 years). Beginning July 1, 2026, new loans are subject to either: - New standard repayment plan with fixed monthly payments and fixed terms ranging from 10 to 25 years based on amount borrowed, or - New income-based Repayment Assistance Plan (RAP). The RAP would adjust payments based on total income, from one to ten percent. The plan would require a minimum payment of $10 per month. For borrowers making required on-time payments, unpaid interest would be waived, and the plan would provide a matching payment of up to $50 toward principal. Borrowers currently in repayment may enroll in RAP. The maximum repayment term would be 360 qualifying payments (30 years).	**Sec. 82001 - Loan Repayment –** Repeals some existing plans (SAVE, PAYE, ICR, graduated, extended, alternative). Borrowers with loans before July 1, 2026 may switch to the RAP below, or transition to the existing HEA statutorily authorized IBR plan. Pre-2014 borrowers would pay 15 percent of discretionary income (above 150 percent of the Federal Poverty Line) with 25 years until forgiveness. Borrowers after 2014 pay ten percent of discretionary income with a period of 20 years until forgiveness after 20 years. Beginning July 1, 2026, new loans are subject to either: - New income-based Repayment Assistance Plan (RAP). The RAP adjusts payments based on total income, from one to ten percent, depending on income level, with a minimum monthly payment of $10. Borrowers get payment reduction of $50 per dependent. For borrowers making required on-time payments, unpaid interest would be waived, and the plan would provide a matching payment of up to $50 toward principal. Borrowers currently in repayment may enroll in RAP. The maximum repayment term would be 360 qualifying payments (30 years). - New standard repayment plan with fixed monthly payments and fixed terms ranging from 10 to 25 years based on amount borrowed, or	**Sec. 82001 - Loan Repayment** Same as Senate HELP Committee version, except small changes, including: - By July 1, 2028, the Secretary shall transition borrowers in with an existing ICR plan to their choice of either the new RAP or the existing statutorily authorized HEA IBR plan. If borrowers take no action, the Secretary will transition them to the RAP. - Clarifies that a borrower who selects the RAP and also has an excepted loan (Parent PLUS, consolidated PLUS, excepted consolidation loan), or otherwise ineligible for repayment under RAP must pay the excepted loan separately - Calculates income and dependents separately for married borrowers filing separate tax returns. Establishes procedures for sharing income data from IRS to ED for loan repayment purposes, with the option to opt out of data sharing.
Sec. 30022 - Deferment; Forbearance **Sunset of Unemployment and Economic Hardship Deferments** – Requires that beginning July 1, 2025, borrowers on new loans are ineligible for deferment for economic hardship and unemployment. **Forbearance on Loans Made Under this Part on or After July 1, 2025** – Requires that beginning July 1, 2025, new loans would only be eligible for forbearance up to nine months in any two-year period. Borrowers who are medical or dental interns or residents may have interest paused for their first four years only.	**Sec. 82002 - Deferment; Forbearance** **Sunset of Unemployment and Economic Hardship Deferments** – Requires that beginning July 1, 2026, borrowers on new loans are ineligible for deferment for economic hardship and unemployment. **Forbearance on Loans Made Under this Part on or After July 1, 2026** – Requires that beginning July 1, 2026, new loans would only be eligible for forbearance up to nine months in any two-year period. Does not include House provision excluding medical or dental interns or residents	**Sec. 82002 - Deferment; Forbearance** **Sunset of Unemployment and Economic Hardship Deferments** – Changes effective date from Senate HELP bill to July 1, 2027. **Forbearance on Loans Made Under this Part on or After July 1, 2027** Changes effective date from original Senate HELP bill to July 1, 2027.
Sec. 30023 - Loan Rehabilitation Allows loan rehabilitation twice, rather than just once in current law. Require that for new loans after July 1, 2025, guarantee agencies must require monthly payments to be at least $10.	**Sec. 82003 - Loan Rehabilitation** Same provision except July 1, 2026 effective date	**Sec. 82003 - Loan Rehabilitation** Changes effective date to July 1, 2027
Sec. 30024 - Public Service Loan Forgiveness - Establishes that an eligible "public service job" does not include a medical or dental internship or	**Sec. 82004 - Public Service Loan Forgiveness** Same provision except June 30, 2026 effective date	**Sec. 82004 - Public Service Loan Forgiveness** Eliminates provision that defines eligible public service job to exclude medical or dental internship or residency.

residency program, if the student did not borrow a PLUS loan or unsubsidized Stafford graduate loan as of June 30, 2025.		Newly allows on-time payments under the new Repayment Assistance Plan to count toward Public Service Loan Forgiveness.
Sec. 30025 - Student Loan Servicing Provides an additional $500 million in mandatory funding in each of FY25 and FY26 to ED for administrative costs of student loans.	**Sec. 82005 - Student Loan Servicing** Provides an additional $1 billion in total mandatory funding for administrative costs of student loans, without specifying the fiscal years.	**Sec. 82005 - Student Loan Servicing** Same as original Senate HELP Committee version
Subtitle D – Pell Grants		
Sec. 30031 - Eligibility for Pell Grants	**Sec. 83001 - Eligibility**	**Sec. 83001 - Eligibility**
Foreign Income and Federal Pell Grant Eligibility — Includes a parent and/or spouse's foreign income within the adjusted gross income (AGI) calculation for Pell Grant eligibility calculations. Sunsets the current law requirement that a student aid administrator make an individual determination whether foreign income should be included in a student's AGI if it causes a student to lose Pell eligibility.	**Foreign Income and Federal Pell Grant Eligibility** Same as House provision	**Foreign Income and Federal Pell Grant Eligibility** No Changes from House/Senate Committee Measures
Definition of Full Time Enrollment for Federal Pell Grant Eligibility – Defines "full-time" for Pell Grant eligibility as 30 semester hours (up from 24 in current law) or 45 quarter hours (up from 36 in current law) per academic year of enrollment. Ratably reduces Pell Grants below this new higher definition of "full-time."	N/A	Not Included in Final Measure
Federal Pell Grant Ineligibility Due to a High Student Aid Index — Makes students ineligible for a Pell Grant if their Student Aid Index (formerly known as Expected Family Contribution) is twice the maximum Pell Grant or higher. (E.g., if this were in law today, in academic year 2025-26, in which the maximum Pell Grant is $7,395, if the FAFSA calculation of a student's income and assets yields a Student Aid Index of $14,790 or higher, the student would be ineligible for Pell Grants.)	**Federal Pell Grant Ineligibility Due to a High Student Aid Index** — Identical to House provision	**Federal Pell Grant Ineligibility Due to a High Student Aid Index** — No Changes from House/Senate Committee Measures
No Federal Pell Grant Eligibility for Students Enrolled Less than Half Time – Beginning July 1, 2026, eliminates Pell Grants for students enrolled less than halftime, under the new definition. Thus, if a student is enrolled less than 15 semester hours per year (for example 7.5 hours one semester plus 7.5 hours the next semester), they would be ineligible for Pell, unless they meet the different eligibility requirements for the new Workforce Pell Grant program.	N/A	Not Included in Final Measure
Sec. 30032 - Workforce Pell Grants Establishes a Workforce Pell Grant Program beginning July 1, 2026 for low-income students in a short-term workforce program between 150 and 600 clock hours of instruction, offered in a program between eight and 15 weeks. The Workforce Pell Grant would count toward a student's lifetime eligibility limit of 12 semesters.	**Sec. 83002 - Workforce Pell Grants** Same as House provision with the addition below. The Senate version would add an exclusion that the following programs are ineligible for Workforce Pell Grants: study abroad; and noncredit, remedial, or English language instruction courses the institution deems necessary to prepare for an undergraduate degree or certificate or use existing knowledge, training, or skills.	**Sec. 83002 - Workforce Pell Grants** Same as original HELP Committee text, except restricts eligible programs to those eligible for Pell Grants (only accredited institutions of higher education are eligible).

Eligible programs must meet requirements to be high-skill, high-wage, or in-demand; lead to a stackable and portable credential; and prepare students for a postsecondary degree. To meet the eligibility requirements, the program must have already been offered for at least one year; have a completion rate in a given award year of at least 70 percent within 150 percent of normal time; have a job placement rate in a given award year of at least 70 percent within 180 days of completion; and have median value-added earnings greater than the median total price in a given award year. The bill would make entities other than institutions of higher education eligible for Workforce Pell, if they meet all requirements above.		
Sec. 30033 - Pell Shortfall Provides $10.5 billion in total mandatory funding to help mitigate the expected shortfall in the Pell Grant reserve. (Specifies providing $3.181 billion in FY26, $4.822 billion in FY27, and $2.507 billion in FY28)	**Sec. 83003 - Pell Shortfall** Provides $10.5 billion in mandatory funding in FY26 to help mitigate the expected shortfall in the Pell Grant reserve.	**Sec. 83003 - Pell Shortfall** Same as original Senate HELP Committee version
N/A	**Sec. 83004 - Federal Pell Grant Exclusion Relating to Other Grant Aid** Beginning July 1, 2026, makes a student ineligible for a Pell Grant if they receive grants totaling the student's cost of attendance or higher from non-Title IV federal grants, institutional aid, state aid, or private grants. Each period the student is ineligible provision will count against their lifetime 12 semesters of Pell eligibility.	**Sec. 83004 - Federal Pell Grant Exclusion Relating to Other Grant Aid** Beginning July 1, 2026, makes a student ineligible for a Pell Grant if they receive grants totaling the student's cost of attendance or higher from non-federal grants, institutional aid, state aid, or private grants. (For example, by excluding other federal grants, this would allow students to receive GI Bill and Pell Grant simultaneously.) Does not count any period the student is ineligible against their lifetime 12 semesters of Pell eligibility.
Subtitle E – Accountability		
N/A	**Sec. 84001- Ineligibility Based on Low Earning Outcomes** Makes undergraduate programs ineligible for federal student loans if the median earnings of the programmatic cohort of working adults (measured four years after program completion or withdrawal and not enrolled in another higher education program) is less than the median earnings of a working adult aged 25-34 with only a high school degree or GED who is not enrolled in higher education. The programmatic cohort must fail this test in two of three years to be ineligible. Median earnings are calculated using Census data for the state where the institution is located, or if a majority of students reside out of the state, national Census data. Makes graduate and professional programs ineligible for federal student loans if: ○ For programs requiring less than three years of full-time coursework for completion, the median earnings of the programmatic cohort of working adults (measured six years after entry and not enrolled in another higher education program) is less than the median earnings of a working adult aged 25-34 with only a bachelor's degree who is not enrolled in higher education.	**Sec. 84001- Ineligibility Based on Low Earning Outcomes** Same as original Senate HELP Committee version, except: ○ Compares median earnings to program completers (not those who exit or withdraw without a degree) ○ Compares median earnings four years after completion, for all degree levels.

	○ For programs requiring more than three years of full-time coursework for completion, the median earnings of the programmatic cohort of working adults (measured ten years after program entry and not enrolled in another higher education program) is less than the median earnings of a working adult aged 25-34 with only a bachelor's degree who is not enrolled in higher education. ○ For all graduate and professional programs, the programmatic cohort must fail this test in two of three years to be ineligible. ○ For graduate and professional students, the comparison median earnings level of a working adult aged 25-34 with only a bachelor's degree not in higher education is calculated as the lowest of either: 1.) a working adult in the state; 2.) A working adult in the same field of study in the state (based on the two-digit CIP code), and 3.) a working adult in the same field of study in the entire U.S. (based on the two-digit CIP code). For small cohorts with fewer than 30 students, the Secretary shall aggregate additional years to reach a minimum 30 students, and then aggregate degrees of equivalent length to reach 30 students. Allows an institution losing eligibility to appeal the programmatic median earnings through a process the Secretary establishes. Institutions may continue participating in the federal loan program during the appeal process. Required Notices to Students: If a program does not meet the earnings requirements for any year in three, the institution must inform each student enrolled in the program of the program's low median earnings and that the institution is at risk of losing its eligibility. Regaining Programmatic Eligibility: The Secretary must establish a process for programs losing eligibility to regain eligibility after at least two years of ineligibility.	
Sec. 30041- Agreements with Institutions Retains the same risk-sharing provisions as in the College Cost Reduction Act (CCRA). To calculate an institution's risk sharing payment, the bill determines a "reimbursement percentage" for completers and non-completers by program. For completers, the percentage factors in earnings over 150 percent of the federal poverty line for undergraduates (over 300 percent for graduate students) and the median total price charged to students in the cohort. For non-completers, the reimbursement percentage is the percentage of students who did not complete their program within 150 percent of program length. The reimbursement	N/A	Not Included in Final Measure

percentage is multiplied by the non-repayment balance for each cohort, which includes outstanding loan balance plus interest and principal waived to get the reimbursement payment per program. The sum of these program-level reimbursement payments totals the institution's risk sharing payment. Earnings measurement period: the House floor version added clarifying examples that the Secretary's authority to extend the earnings measurement period refers to additional education needed for a residency, fellowship, or earning board certification.		
Sec. 30042 - Campus-based aid programs Retains the PROMISE Grant program as proposed in CCRA. The formula calculation for the grant remains the same and the bill uses funds collected through risk sharing payments to fund the grants. Uses funds collected through Return of Title IV aid to fund the balance of any outstanding PROMISE grants following utilization of all risk-sharing payments. In a new provision, if available funding does not fully fund all awards, the bill directs the Secretary to limit PROMISE Grants by ratably reducing each institution's allotment. To be eligible for PROMISE Grants, institutions must agree to offer a Maximum Total Price Guarantee to students for the average time to completion for the three most recent completing cohorts. Previously the Maximum Total Price Guarantee was for the median time to credential for the most recent completing cohort. The PROMISE Grant formula factors in the institution's average total dollar Pell grants received by its students, the percentage of low-income students who graduate within 100 percent of the published program length, the median earnings over 150 percent of the poverty line for undergraduates (300 percent for graduate students), and the maximum total price in a given program. An institution's Federal Work Study and Supplemental Educational Opportunity Grant awards are deducted from the institution's award, which is capped at $5,000 per federal financial aid recipient.	N/A	Not Included in Final Measure
Subtitle F – Regulatory Relief		
Sec. 30051 - Regulatory Relief Repeals 90-10 rule and repeals the closed school discharges and borrower defense to repayment regulations. The House floor version clarifies that the bill restores Borrower Defense to Repayment and Closed School Discharge regulations to their status in effect on July 1, 2020.	**Sec. 85002 – Repeal of Rule Relating to Closed School Discharges** Repeals Biden administration Borrower Defense to Repayment regulations and restores the regulations to their status in effect on July 1, 2020.	**Sec. 85002 – Repeal of Rule Relating to Closed School Discharges** Instead of repealing Borrower Defense to Repayment regulations, delays implementation to new loans made after July 1, 2035. At that point, regulations will restore to their status in effect on July 1, 2020.

Removes gainful employment criteria from definitions of eligible institutions.	Repeals Closed School Discharge regulations and restores the regulations to their status in effect before the Biden administration's updates. Does not repeal 90-10 rule or change gainful employment criteria.	Instead of repealing Closed School Discharge regulations, delays implementation to new loans made after July 1, 2035. At that point, regulations will restore to their status in effect on July 1, 2020. Does not repeal 90-10 rule or change gainful employment criteria
Subtitle G – Limitation on Authority		
Sec. 30061 – Limitation on Authority Limitation on authority of the Secretary to propose or issue regulations and executive actions Prohibits the Secretary of Education from promulgating any rules found to be "economically significant," that is, having an annual effect of $100 million or more or adversely impacts any sector of the economy.	**Sec. 86001 – Limitation on Authority of the Secretary to propose or issue regulations and executive actions** Same as House provision	Not Included in Final Measure

WAYS AND MEANS/FINANCE

ORIGINAL HOUSE-PASSED PROVISIONS OF INTEREST	SENATE FINANCE COMMITTEE PRINT	FINAL MEASURE
Subtitle B – Make Rural America and Main Street Grow Again		
Sec. 111002 - Deduction of Domestic Research and Experimental Expenditures This provision under IRC Section 174 would suspend the capitalization for domestic research and development expenses during the year incurred for start-ups and small businesses, from tax years 2025 to 2029. This change allows businesses to claim R&D tax credits to be claimed in the year they were incurred.	**Sec. 70302 - Full expensing of domestic research and experimental expenditures** Similar as House provision but allows for permanent expensing.	**Sec. 70302 - Full expensing of domestic research and experimental expenditures** Same as original Senate Finance Committee version with clarification language added on foreign and domestic research expenditures.
Subtitle A—Make American Families and Workers Thrive Again		
Sec. 110002 - Extension of Increased Standard Deduction & Temporary Enhancement **Sec. 110112 - Reinstatement of Partial Deduction for Charitable Contributions of Individuals Who Do Not Elect to Itemize** These provisions make the standard deduction for individuals and couples permanent, while also temporarily increasing the standard deduction for individuals and couples for three years. It also creates a temporary (three years) deduction for non-itemizing taxpayers up to $150 for individuals and $300 for couples.	**Sec. 70425 - 0.5-percent floor on deduction of charitable contributions made by individuals who elect to itemize** This provision imposes a 0.5-percent floor on charitable contributions for taxpayers who elect to itemize for taxable years after December 31, 2025. Additionally, the provision would permanently extend the increased contribution limitation for cash gifts made to qualified charities. **Sec. 70426 - 1-percent floor on deduction of charitable contributions made by corporations** This provision allows a deduction for corporate charitable contributions only to the extent that the aggregate of corporate charitable contributions exceeds one percent of a taxpayer's taxable income (the "one-percent floor") and does not exceed 10 percent of the taxpayer's taxable income	**Sec. 70425 - 0.5-percent floor on deduction of charitable contributions made by individuals who elect to itemize** Same as original Senate Finance Committee version **Sec. 70426 - 1-percent floor on deduction of charitable contributions made by corporations** Same as original Senate Finance Committee version

	(the "10-percent limit"). This limitation would apply for taxable years beginning after December 31, 2025.	
Sec. 110113 - Exclusion for Certain Employer Payments of Student Loans Under Educational Assistance Programs Made Permanent & Adjusted for Inflation This provision makes annual tax free student loan repayments by employers permanent. This tax incentive was previously set to expire in 2026. It also indexes the employer-provided educational assistance for inflation, resulting in an increase of the current $5,250 limit over time.	**Sec. 70412 - Exclusion for employer payments of student loans** Same as House provision	**Sec. 70412 - Exclusion for employer payments of student loans** No Changes from House/Senate Committee Measures
Sec. 110111 - Certain postsecondary credentialing expenses treated as qualified higher education expenses for purposes of 529 accounts This provision makes changes to 529 savings accounts, a tax-deferred savings plans used by individuals to help pay for college expenses. The changes expand the definition of qualified expenses to include tuition, books, supplies, equipment, testing fees, and continuing education fees as related to postsecondary credential programs.	**Sec. 70414 - Certain postsecondary credentialing expenses treated as qualified higher education expenses for purposes of 529 accounts** Same as House provision	**Sec. 70414 - Certain postsecondary credentialing expenses treated as qualified higher education expenses for purposes of 529 accounts** No Changes from House/Senate Committee Measures
Subtitle C—Make America Win Again		
Sec. 112024 - Unrelated Business Taxable Income Increased by Amount of Certain Fringe Benefit Expenses for Which Deduction is Disallowed (UBIT) This provision removes the UBIT exemption that nonprofits receive regarding transportation and parking benefits provided to their employees. Church organizations are excluded.	N/A	Not Included in Final Masure
Sec. 112025 - Exclusion of Research Income Limited to Publicly Available Research (UBIT) Removes the exemption of income from non-public research, retaining the exemption only for fundamental research (where the results are freely available to the public). Currently, both fundamental and non-public research income are exempted from UBIT calculations of taxable income.	N/A	Not Included in Final Measure
Sec. 112020 - Expanding Application of Tax on Excess Compensation within Tax-Exempt Organizations The provision imposes an expanded excise tax on executive compensation above $1 million annually paid to all current and former employees of applicable tax-exempt organizations. As written, the provision does not apply to most public universities. The provision may apply to universities	**Sec. 70416. Expanding application of tax on excess compensation within tax-exempt organizations** Same as House provision	**Sec. 70416. Expanding application of tax on excess compensation within tax-exempt organizations** Defines covered employees as those who were employed after December 31, 2016, with the tax applicable beginning December 31, 2025.

which are tax exempt through section 115 (1) of the Internal Revenue Code.		
N/A	**Sec. 70605. Third Party Litigation Funding Reform** Imposes a 40.8% tax on proceeds from third party litigation funding agreements. This would have a negative impact on university tech transfer offices defending patents from infringement in court by making it less desirable for a third party litigator to provide support, especially for smaller claims.	Not Included in Final Measure
Multiple Sections - Recission of IRA clean energy tax credits The bill would restrict or phase out many of the clean energy incentives enacted as part of the Inflation Reduction Act, including acquisition of clean energy vehicles, clean energy investment credits and advanced manufacturing tax credits.	**Multiple Sections - Recission of IRA clean energy tax credits** The bill would terminate or phase out many of the clean energy incentives enacted as part of the Inflation Reduction Act, similar to the House provisions but with emphasis on different energy types and phase out dates. Also proposes to eliminate energy efficient commercial building deductions.	**Multiple Sections - Recission of IRA clean energy tax credits** Retains many of the clean energy incentive eliminations but removes a proposal to add a new excise tax on wind and solar energy projects placed into service after 2027.

Appendix: Loan Limits Under Current Law, House, Senate Committee Print, and the Final Measure

Annual and Aggregate Loan Limits by Loan and Borrower Type

Limit	**Current Law**[a] (Cells in this column and footnotes are excerpted from CRS report)	**House Reconciliation bill** (H.R. 1)	**Senate HELP Committee Print** (Title VIII-HELP Committee)	**Final Measure**
Annual Limits				
Undergraduate (Subsidized)	$3,500 (first-year, dependent or independent) $4,500 (second-year, dependent or independent) $5,500 (third-year and beyond, dependent or independent)	Eliminates Undergraduate Subsidized loans	Maintains Current Law	Maintains Current Law
Undergraduate (Unsubsidized)	$5,500 minus Subsidized Loans (first-year, dependent) $6,500 minus Subsidized Loans (second-year, dependent) $7,500 minus Subsidized Loans (third-year and beyond, dependent) $9,500 minus Subsidized Loans (first-year, independent) $10,500 minus Subsidized Loans (second-year, independent) $12,500 minus Subsidized Loans (third-year and beyond, independent)	Median cost of college minus Pell Grant award (see above)	Maintains Current Law	Maintains Current Law
Graduate/Professional (Unsubsidized)	$20,500 (in general; higher limits apply to certain health professions programs)[d]	Median cost of college of the program of study	$20,500 for graduate students and $50,000 for professional students	Same as original Senate HELP Committee Print
Graduate PLUS Loans (graduate/professional students)	Up to COA minus EFA	Grad PLUS Loans eliminated	Grad PLUS Loans eliminated	Grad PLUS Loans eliminated
Parent PLUS Loans (parents of dependent undergraduate students)	Up to COA minus EFA	Cost of attendance of the program of study minus maximum amount of federal Direct Unsubsidized Stafford loans the student may borrow	Parents may borrow no more than $20,000 per dependent student per year	All parents (combined) may borrow no more than $20,000 per dependent student per year
Aggregate Limits				
Undergraduate (Subsidized)	$23,000 (dependent or independent)	Eliminates Subsidized Undergraduate loans	Current Law	Maintains Current Law
Undergraduate (Unsubsidized)	$31,000 minus Subsidized Loans (dependent) $57,5000 minus Subsidized Loans (independent)	$50,000	Current Law	Maintains Current Law
Undergraduate in qualifying undergraduate program [flight schools]	NA	$150,000 (includes flight school within professional students, instead of defining a new "qualifying undergraduate program")	Does not reference flight school	Does not reference flight school

Graduate (Unsubsidized)	—	$100,000	$100,000	$100,000
Professional (Unsubsidized)	—	$150,000	$200,000	$200,000
Student who borrows for both Graduate and Professional programs	—	$150,000 minus the borrowing for graduate school	$200,000 minus the borrowing for graduate school	$200,000 minus the borrowing for graduate school
Combined undergraduate (Subsidized and Unsubsidized) plus graduate/professional (Unsubsidized)	$138,500[g]	$200,000 aggregate limit for all federal loans	$257,500 aggregate limit for all federal loans	$257,500 aggregate limit for all federal loans
Graduate PLUS Loans (graduate and professional students)	Not limited	Graduate PLUS Loans eliminated	Graduate PLUS Loans eliminated	Graduate PLUS Loans eliminated
Parent PLUS Loans (parents of dependent undergraduate students)	Not limited	$50,000	$65,000 for each parent per dependent student	All parents of a dependent student (combined) may borrow no more than $65,000 in aggregate for each dependent student

Sources: HEA §§428, 428H, 451, and 455; CRS analysis of H.R. 6951, as ordered reported by the House Committee on Education and the Workforce.

Notes: "—" indicates that a certain limit is not directly specified.

COA: cost of attendance

EFA: estimated financial assistance (amount of aid anticipated to be made available to a student from all sources for a period of enrollment)

a. Current law specifies distinct annual loan limits for preparatory coursework for an undergraduate program ($2,625 for dependent students and $8,625 for independent students, of which up to $2,625 may be Subsidized Loans), preparatory coursework for a graduate program ($5,500 for dependent students and $12,500 for independent students, of which up to $5,500 may be Subsidized Loans), and teacher certification programs ($5,500 for dependent students and $12,500 for independent students, of which up to $5,500 may be Subsidized Loans). H.R. 6951 does not specify loan limits for such programs.

b. Under H.R. 6951, the combined dollar amount of an undergraduate student's Subsidized Loans, Pell Grant award, and other financial assistance could not exceed the student's cost of attendance.

c. Under H.R. 6951, the combined dollar amount of an undergraduate student's HEA Title IV financial aid and other financial assistance could not exceed the student's cost of attendance.

d. Students enrolled in programs in the following disciplines are eligible annually to borrow an additional $20,000 more in Direct Unsubsidized Loans than regular students for programs with 9-month academic years, and an additional $26,667 for programs with 12-month academic years: Doctor of Allopathic Medicine; Doctor of Osteopathic Medicine; Doctor of Dentistry; Doctor of Veterinary Medicine; Doctor of Optometry; Doctor of Podiatric Medicine; and, effective May 1, 2005, Doctor of Naturopathic Medicine and Doctor of Naturopathy. Students enrolled in programs in the following disciplines are annually eligible to borrow an additional $12,500 more in Direct Unsubsidized Loans than regular students for programs with 9-month academic years, and an additional $16,667 for programs with 12-month academic years: Doctor of Pharmacy, Graduate in Public Health, Doctor of Chiropractic, Doctoral Degree in Clinical Psychology, and Masters or Doctoral Degree in Health Administration. Amounts are prorated for 10- and 11-month programs.

e. Under H.R. 6951, the combined dollar amount of a graduate or professional student's Unsubsidized Loans and other financial assistance could not exceed the student's cost of attendance.

f. The term "qualifying undergraduate program" would be newly established under the bill. It would refer to federally regulated programs of study that provide final licensing and credentials to students upon completion, such as flight education and training programs.

g. Under current law, the combined aggregate loan limit for undergraduate and graduate or professional loans is, in general, $138,500. For students enrolled in certain health professions programs, the combined aggregate loan limit is $224,000.