



March 2, 2026

U.S. Department of Education  
400 Maryland Avenue SW  
Washington, DC 20202

**Docket ID ED-2025-OPE-0944-0001**

**Reimagining and Improving Student Education (RISE) Notice of Proposed Rulemaking**

To Whom It May Concern:

Thank you for the opportunity to comment on the U.S. Department of Education’s Notice of Proposed Rulemaking to implement the federal student and parent loan limit and repayment changes made by the One Big Beautiful Bill Act (OBBBA). Arnold Ventures is a philanthropy dedicated to tackling some of the most pressing problems in the United States. For the past nine years, we have invested in research, policy development, litigation, and advocacy to increase the return on investment of higher education for both students and taxpayers. Should you have further questions regarding these comments, we welcome the opportunity to discuss them.

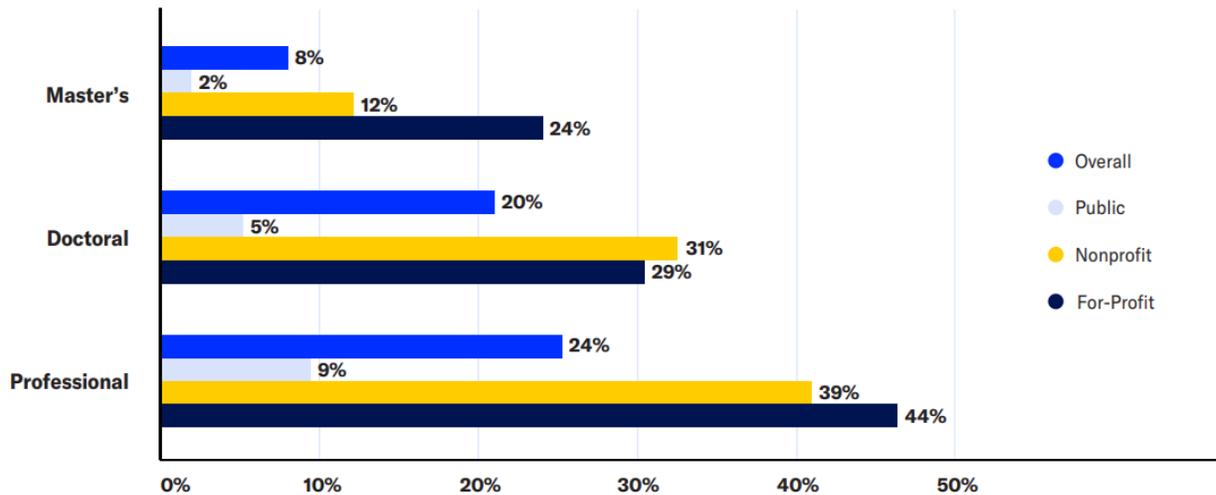
Our comments are focused on the implementation of new loan limits for graduate education programs. We are strongly supportive of the goals of legislators and the Education Department to rein in virtually unlimited borrowing for graduate education programs. For nearly two decades, students have had access to both Graduate Stafford loans and, if those dollars weren’t sufficient, Grad PLUS loans up to the full cost of attendance of a program – with that total cost of attendance set by the college. Research supported by Arnold Ventures<sup>1</sup> found that the creation of the Grad PLUS program led to increases in prices for graduate education programs and higher student debt loads, without increasing access to graduate-level education (even for underrepresented students).

Too often, the payoff from those programs is insufficient to support the debt loads some graduate students take on. The chart below, from our publication “[Balancing the Costs and Value of Graduate Programs](#),” highlights the prevalence of programs with unaffordable debt – particularly in the private nonprofit and for-profit sectors. Constraining federal loans available to graduate students will help to discourage borrowers from attending some of these unaffordable programs.

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<sup>1</sup> Black, Sandra E., Jeffrey T. Denning, and Lesley J. Turner, “PLUS or Minus? The Effect of Graduate School Loans on Access, Attainment, and Prices,” NBER Working Paper No. 31291, May 2023, [https://www.nber.org/system/files/working\\_papers/w31291/w31291.pdf](https://www.nber.org/system/files/working_papers/w31291/w31291.pdf).

## SHARE OF HIGH-DEBT-BURDEN GRADUATE PROGRAMS, BY DEGREE TYPE AND SECTOR



Source: [Office of the Chief Economist of the U.S. Department of Education, Table 3](#)

At the same time, however, we are concerned that the Department's proposed definitions of graduate and professional students may overcorrect for the problem around the margins. As we explain further below, we recommend that the Department instead revisit a suggested definition of professional degrees that was offered during negotiations on these proposed rules.

### **The Department should narrowly expand its proposed definition of professional programs to include other key professions**

The One Big Beautiful Bill Act laid out new graduate loan limits: \$20,500 per year for graduate students, and \$50,000 per year for professional students. Yet it was ambiguous as to which programs qualify for the higher debt loads, noting only that the Department should look to its current definition of professional degrees – a definition that offers only illustrative examples of qualifying fields.

The Department's proposal looks, appropriately, to that existing list of programs as the anchor for its definition.<sup>2</sup> Recognizing that it needs to provide a more precise definition that will allow for consistency and certainty for borrowers and institutions, the Department has proposed to define professional students as those enrolled in programs that are in one of the 10 examples of professional degrees already named in the law, a clinical psychology program, or another program within the same four-digit Classification of Institutional Programs (CIP) code as one of those 11 fields. Programs would also generally need to be doctoral programs and lead to licensure.

This anchoring makes sense; without explicitly broadening to other programs in the same CIP code field of study, for instance, it would be unclear whether pharmacy professional programs include pharmacy (51.2001) programs as well as clinical, hospital, and managed care pharmacy programs (51.2008) and pharmaceutical sciences (51.2010) programs. It seems likely that Congress intended to cover those entire fields, not just a narrow subset of programs, which could wind up expanded to

<sup>2</sup> Clinical psychology is the only added field explicitly named in the definition.

new CIP codes or folded into others from time to time anyway, as CIP codes are reviewed and adjusted over time. This will also help to prevent gaming by institutions that might simply revise their reported program name to qualify for higher loan debt, potentially muddying the data that ED produces for consumers via the College Scorecard, for instance.

However, the Department's proposal also circumscribes the set of higher-loan, professional degrees, excluding certain programs that are widely considered professional programs by the field.

### **A Workable Alternative to the Department's Proposed Definition of Professional Degrees**

A [proposal](#) during the negotiated rulemaking from representatives of taxpayers and the public interest, as well as representatives of the legal aid community, would have considered the same 11 fields as the Department's proposal, but also incorporated other programs within the same two-digit CIP codes as the 10 fields originally named in the rules, provided they are at least 80 credit hours in length (i.e., longer than the standard master's degree program).

To determine which fields are widely considered professional programs, the taxpayer and public interest negotiators [looked to existing reporting](#) of doctoral-level programs in the Integrated Postsecondary Education Data System (IPEDS). Virtually all doctoral-level programs in the original 10 fields named in the existing definition – medicine, podiatry, pharmacy, law, dentistry, among others – were reported as professional programs. But so were more than 90 percent of doctoral-level physical therapy programs, nursing programs, and naturopathic medicine programs, and around 75 percent of doctoral-level physician assistant programs, audiology programs, and nurse anesthetist programs – all excluded from the Department's proposed definition. Ultimately, the negotiators recommended including programs adjacent to the current rules at the two-digit CIP code level (rather than the Department's proposed four-digit CIP code level), provided they also meet program length requirements, because those programs fall within the scope of what Congress would have imagined professional degrees to include.

This proposal has several advantages over the Department's own language. **A key advantage is that it is more easily operationalized.** The Department's proposal leaves ambiguity as to which programs will qualify for higher debt levels, noting only that they are “generally” doctoral, “generally” require licensure, and signify a skillset beyond what is “normally” required for a bachelor's degree. An institution reading this definition could reasonably struggle to assess whether its program, provided it falls within the same four-digit CIP code as one of the 10 programs named in the current rules, qualifies. Even more concerningly, that interpretation could shift over time; a future Administration could choose to interpret or apply the rules differently, even within the confines of the Department's regulatory language. On the other hand, the non-federal negotiators' proposed language provides a clearer assessment of which programs are in and out -- using the more common financial aid parlance of credit hours -- with a clearer three-part test:

1. Whether the program is already named in the regulations;
2. Whether the program is in a similar field (the same two-digit CIP code) and of a similar length (at least 80 credit hours) as one of the programs already named in the regulations; and
3. Whether any other field was broadly considered a professional program as of the date of enactment of OBBBA (as documented in existing data reporting).

As the Department writes in its proposed rule, it “must consider what [the 10 degree programs named in the current regulations and referenced in OB3] have in common and the context those commonalities provide.” To that end, the **non-federal negotiators’ language also more directly ensures that all 10 of the programs named in the current regulations are clearly covered by the definition, and that the only additional programs covered are those that are similar in length and content to the original 10 named programs.** The Department discusses in the proposed rule, for instance, the origin of the definition of a professional degree as stemming from the Integrated Postsecondary Education Data System’s (IPEDS) 2007 definition; yet the Department’s newly proposed definition abandons the set of programs that have been reported as doctoral-professional degrees ever since.<sup>3</sup> On the other hand, the non-federal negotiators’ definition originates its list of qualifying programs on the fields that have mostly reported their doctoral programs as professional. This provides a more reasoned basis for the fields that will qualify; even when federal dollars weren’t on the line, and the distinction between professional and other graduate programs was largely unimportant from a regulatory perspective, institutions widely reported some programs not named in the current regulations as professional programs. The non-federal negotiators also rely on a minimum requirement of 80 credit hours because that covers all 10 fields named in the current regulations,<sup>4</sup> while allowing sufficient flexibility to support innovative programs like accelerated degree programs.

### **A Narrow Expansion of the Definition Will Help Ensure the Long-Term Viability of the Rule**

The One Big Beautiful Bill Act made significant and largely positive changes to the student loan landscape, including by implementing these new graduate loan limits. However, although the new limits have not yet taken effect, they are already under fire. Multiple pieces of legislation have already been introduced by bipartisan members of Congress to substantially broaden the availability of up to \$200,000 in loans for programs where such a high debt load is unlikely to pay off – master’s of social work and education master’s degrees among them. A social media push from nursing and education programs has sparked unusual levels of interest in these regulations.

**Establishing a definition that covers more of the fields that are widely considered professional will help ensure the rule remains viable in the face of these political challenges.** It will also help to protect against the risk of litigation; the negotiators who proposed the two-digit CIP code approach also provided [compelling evidence](#) of its fit with the statutory and regulatory framework that already exists.

### **The Expanded Professions Covered Can Typically Support a Higher Debt Load**

An important question for policymakers is whether the expanded list of programs, when qualified for a higher debt load (\$200,000 in aggregate, rather than \$100,000) will leave the typical graduate able to afford the debts. An initial review of data recently released by the Education Department,

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<sup>3</sup> As described by the non-federal negotiators in their [October 2025 memo](#), each of the doctoral level degrees where a majority of institutions report the program as professional fall within four, two-digit CIP codes (health, law, agriculture, and theology), except for clinical psychology, which both the Department and negotiators agreed to incorporate separately.

<sup>4</sup> As described by the non-federal negotiators in their [October 2025 memo](#), most of the master’s of divinity programs that the representatives researched were at least 80 credit hours; and most law schools require at least 80-90 credit hours. All of the other programs typically require more than 90 credit hours.

depicting earnings three years after completing the program, show that the expanded list of programs are largely in high-earnings fields. For instance:

*Typical Earnings of Example Programs Covered by Department and Negotiators' Proposals*

| Program of Study         | Considered Professional Programs Under Regulatory Proposals | CIP Code | Median Earnings (Doctoral) | Median Earnings (Professional) |
|--------------------------|---|----------|----------------------------|--------------------------------|
| Theology                 | Covered by current list of 10 programs                      | 39.0601  | \$64,814                   | \$59,100                       |
| Medicine*                | Covered by current list of 10 programs                      | 51.1201  | \$82,217                   | \$80,458                       |
| Veterinary Medicine      | Covered by current list of 10 programs                      | 01.8001  | \$116,033                  | \$115,174                      |
| Clinical Psychology      | Covered by both ED and negotiator proposals                 | 42.2801  | \$94,470                   | \$81,429                       |
| Physical Therapy         | Covered by negotiator proposal only                         | 51.2308  | \$82,192                   | \$82,017                       |
| Audiology                | Covered by negotiator proposal only                         | 51.0202  | \$85,422                   | \$85,853                       |
| Registered Nursing/Nurse | Covered by negotiator proposal only                         | 51.3801  | \$133,347                  | \$122,853                      |
| Physician Assistant      | Covered by negotiator proposal only                         | 51.0912  | N/A                        | \$124,266                      |
| Nurse Anesthetist        | Covered by negotiator proposal only                         | 51.3804  | \$211,827                  | \$204,009                      |

List includes some examples of key fields, but is not exhaustive. Data for these and other programs are available from the file "Program Earnings 3yr Working and Not Working 1718-1819 Completers (Credlev-CIP6)," available at <https://www.ed.gov/laws-and-policy/higher-education-laws-and-policy/higher-education-policy/negotiated-rulemaking-for-higher-education-2025-2026>.

\*Medicine and dentistry earnings tend to increase significantly after borrowers complete their residency programs. Program earnings reported as "doctoral" and "professional" are based on how those programs were reported in the National Student Loan Data System.

These earnings numbers provide an important assurance that the expansion of professional students to include the two-digit CIP code is reasonably well targeted. These fields, which are among the largest doctoral-level programs covered by the proposal, generally offer three-year earnings at or above the three-year earnings of other fields named in the definition. **The Department could further confirm this understanding by running covered fields' typical debt loads and earnings through a loan repayment simulator to estimate whether the typical borrower would repay their**

**loan in full; and by assessing the share of graduates from these fields who have applied for Public Service Loan Forgiveness and therefore may not repay their loans. We suggest the Department conduct this analysis as part of its Regulatory Impact Analysis.**

It is also worth noting that some of the fields that would ostensibly be covered by the non-federal negotiators' proposal would, in actuality, not have any or many qualifying programs. For instance, nearly all graduate degrees awarded in marriage and family counseling (51.1505), health administration (51.0701), and applied behavior analysis (42.2814) are at the master's degree level, unlikely to meet the minimum number of credit hours required to qualify for professional-degree debt levels.

### **The Taxpayer Impact of Expanding the Definition Is Minimal**

Another important consideration for policymakers is the taxpayer impact of the change. However, even by the Department's own estimates, the added cost is very limited – just \$1.1 billion in added outlays over the next 10 years relative to the list of 10 programs already in regulations, so only about \$100 million in added costs per year relative to the Department's proposed rule. Particularly given the Department's estimate that the graduate loan limits provision is estimated to save nearly \$52 billion over the next decade, that added cost is very small.

Given that these programs are also among the higher-paying ones, and likely to have high rates of repayment – especially in light of the new Repayment Assistance Plan coming online, which requires higher payments for high-income borrowers than do current income-driven repayment plans – [negotiators suggested](#) that “the narrow increase in the definition of professional degrees...could possibly generate additional revenue for the federal government.”

### **Conclusion**

We appreciate the Department's commitment to ensuring a strong rule that effectuates the loan limits Congress sought to put in place. Arnold Ventures encourages the Department to balance that with the goals of the student loan program to ensure students are able to pursue advanced education that will provide them with new opportunities in the labor market and support a skilled U.S. workforce.

Arnold Ventures remains available and ready to discuss these comments anytime. Please reach out to Jessica Taketa, [jtaketa@arnoldventures.org](mailto:jtaketa@arnoldventures.org), with any questions.

Sincerely,

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Arnold Ventures