



March 2, 2026

The Honorable Nicholas Kent
Under Secretary of Education
Office of Postsecondary Education
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202

**RE: Notice of Proposed Rulemaking, Reimagining and Improving Student Education
[Docket ID ED-2025-OPE-0944]**

Dear Under Secretary Kent:

The American Association of Colleges of Nursing (AACN) appreciates the opportunity to comment on the Department of Education's Notice of Proposed Rulemaking (NPRM) Reimagining and Improving Student Education [Docket ID ED-2025-OPE-0944] addressing the definition of "professional degree" programs for purposes of annual and aggregate federal post-baccalaureate student loan limits. AACN writes to express strong concern over the Department's failure to include post-baccalaureate nursing programs in the definition of "professional degree," despite nursing meeting long-established criteria, satisfying congressional intent, providing strong return on investment, and delivering economic gains and support to communities across the country. The stakes of this issue are profound, not only for supporting nursing education pathways, but also for the future nursing workforce and the stability of our nation's healthcare system.

To ensure that federal policy reflects statutory intent and supports essential health professions, AACN requests that the Department of Education explicitly include post-baccalaureate nursing programs, as outlined under the "Health Professions and Related Clinical Sciences" series of Classification of Instructional Programs (CIP) codes (Series 51.38), in the regulatory definition of professional degree programs, and all the degrees at the master's and doctoral level they represent, specifically:

"A professional degree may be awarded in the following fields: (i) 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.), Theology (M.Div., or M.H.L.), Clinical Psychology (Psy.D. or Ph.D.), **and Nursing (MSN, DNP, Ph.D.).**"

As the national voice for academic nursing, AACN represents more than 875 schools of nursing offering a mix of baccalaureate and post-baccalaureate programs at public and private

universities and colleges nationwide, which engage more than 540,000 students and 53,500 faculty members.¹ Collectively, these institutions graduate Registered Nurses (RNs), Advanced Practice Registered Nurses (APRNs), faculty, researchers, and frontline providers.² AACN is committed to preparing a highly educated nursing workforce, strengthening the foundation of nursing science, and advancing innovative healthcare solutions.

Background

Public Law 119-21—One Big Beautiful Bill Act (OBBBA) established new borrowing limits that differentiate between graduate and professional degree programs: \$20,500 in annual borrowing with a \$100,000 aggregate cap for graduate programs and \$50,000 annually with a \$200,000 aggregate cap for professional degree programs.³ The real world consequences of this new framework amplifies the need to ensure that the Department’s definition of “professional degree” programs aligns with both historical practice, the technical characteristics of post-baccalaureate programs, and congressional intent.

For fields like nursing, where preparation for practice at the post-baccalaureate level requires rigorous clinical training, advanced academic coursework, and distinct licensure, the designation as a professional degree carries real implications for student access and workforce stability. For purposes of clarity and distinction relative to this NPRM, it is necessary to note the educational requirements for both RNs and APRNs. RNs are prepared at the associate or baccalaureate level and focus on providing and coordinating patient care under established clinical protocols and provider orders. APRNs complete post-baccalaureate education at the master’s or doctoral level and receive advanced clinical training in assessment, diagnosis, and treatment. Unlike RNs, APRNs are licensed to practice in specialized and primary care roles (e.g., nurse practitioners, clinical nurse specialists) with expanded clinical authority based on their graduate-level preparation.

The elimination of Graduate PLUS loans under OBBBA represents another major structural shift in how post-baccalaureate students finance their education. Graduate PLUS has long served as the primary federal mechanism allowing students to cover the full cost of attendance above the standard Stafford loan limits, particularly in clinically intensive programs such as post-baccalaureate nursing, medicine, pharmacy, and dentistry, among others. Eliminating Graduate PLUS and replacing it with fixed annual and aggregate caps significantly restricts students’ ability to finance required tuition, clinical fees, and living expenses, especially in year-round programs. Coupled with losing access to Graduate PLUS, the new loan caps applied to post-baccalaureate nursing degree programs will exacerbate preexisting shortages across the healthcare workforce.

As such, AACN was deeply disappointed that the definition of professional degree programs released by the Department during the negotiated rulemaking in November 2025, and reflected in

¹ About the American Association of Colleges of Nursing. Retrieved from: <https://www.aacnnursing.org/About-AACN>

² APRNs include certified nurse-midwives (CNMs), certified registered nurse anesthetists (CRNAs), clinical nurse specialists (CNSs) and nurse practitioners (NPs).

³ Public Law 119-21-One Big Beautiful Bill Act. Retrieved from: <https://www.congress.gov/bill/119th-congress/house-bill/1/text>

the current NPRM, erroneously excluded post-baccalaureate nursing programs.⁴ Indeed, the Department exceeded its authority by departing from the plain language of OBBBA, which preserves a function-based definition of “professional degree program” and the Department provides no statutory basis for not including nursing or other fields that require post-baccalaureate education for licensed practice. Further, while the Department referenced CIP grouping and degree level, these structural choices do not reflect the nature of professional preparation in nursing, nor do they align with the realities of how the profession is regulated, accredited, and licensed. The omission of nursing underscores the need for a more accurate and modernized definition of professional degree programs than the one included in this NPRM.

Post-Baccalaureate Nursing Programs Already Meet the Established Criteria of Professional Degree Programs

As noted in the NPRM, “OBBB establishes a three-part test” for the definition of the “professional degree,” including:

1. that they “signify completion of the academic requirements for beginning practice in a given profession;”
2. “that the profession must require skill(s) that students who only have a bachelor’s degree (or training below a bachelor’s degree level) would not normally have;” and,
3. “the profession that a degree holder would enter after graduating generally requires professional licensure.”⁵

Post-baccalaureate nursing programs, including at the master’s and doctoral levels (DNP and Ph.D.), clearly satisfy every criterion of a professional degree program as delineated in this “test.” These programs require post-baccalaureate-level academic coursework, extensive supervised clinical education, and preparation for advanced, autonomous, or expanded professional practice. Their curricula encompass advanced diagnostics, pharmacology, pathophysiology, systems leadership, population health, informatics, and interprofessional care; components identical in rigor and purpose to other fields recognized by the Department as professional programs.

The accreditation and regulatory environment governing post-baccalaureate nursing education mirrors those of other professions historically categorized as professional fields. Graduates of MSN and DNP programs pursue advanced national certifications and state licensure that authorize independent clinical practice as APRNs, representing clearly distinct roles from that of RNs. These credentials require rigorous examinations and continuing education for license renewal, paralleling the processes seen in medicine, dentistry, and pharmacy, all of which already carry the “professional” designation. As such, this complex regulatory infrastructure is characteristic of the professions the Department has long recognized as professional programs for student aid purposes.

⁴ U.S Department of Education. Reimagining and Improving Student Education [Docket ID ED-2025-OPE-0944]. Retrieved from: <https://www.govinfo.gov/content/pkg/FR-2026-01-30/pdf/2026-01912.pdf>

⁵ U.S Department of Education. Reimagining and Improving Student Education [Docket ID ED-2025-OPE-0944]. Retrieved from: <https://www.govinfo.gov/content/pkg/FR-2026-01-30/pdf/2026-01912.pdf>

Further, the Department’s proposal to rely heavily on narrow Classification of Instructional Programs (CIP) subgroups as the determinant of whether a field is “professional” is inconsistent with the intended purpose of CIP codes. It would also support the inclusion of nursing, as nursing and medicine share the same two-digit CIP series (51-Health Professions), reflecting their alignment as clinical health professions requiring graduate-level preparation.⁶ Using CIP sub-groupings as a justification to exclude health professions, like nursing, while including similarly regulated professions does not reflect educational purpose or licensure requirements and would, in practice, treat substantively comparable programs in meaningfully different ways.

Regulatory and Congressional Intent Supporting the Inclusion of Nursing in the Definition of “Professional Degree Program”

The term “professional degree program” has a long-standing and well-understood meaning in federal law and administrative practice, dating back to the Higher Education Act of 1965. Historically, Congress distinguished *professional degree programs* based on their purpose: professional programs are designed to prepare graduates for licensed or regulated practice in a specific profession.⁷

For decades, the Department’s own financial aid regulations, federal data collections, and accreditation frameworks have aligned with this functional distinction, consistently defining eligibility for professional practice beyond the bachelor’s level.^{8,9,10} The 2019-2020 Student Aid Handbook, issued during President Trump’s first administration, includes this same definition for a “professional degree” along with the list of ten programs identified in CFR 34 § 668.2 and the operative clause “include but are not limited to,” indicating that, before this NPRM, the Department’s own definition was open to expansion and inclusion of programs not currently listed.¹¹

Even the Department’s added constraint that professional degree programs only encompass doctoral education is at odds with its own past practice, particularly with regard to health professions. The 2024-2025 Student Aid Handbook included “Graduate program in Public Health (including Master's and Doctoral degree programs in Public Health)” and “Master's or Doctoral Degree in Health Administration” in the categories of health professions eligible for additional funds through unsubsidized federal loans.¹² As such, the Department has historically recognized master’s degree programs as professional degree programs, particularly in the context of health professions.

⁶ Classification of Instructional Programs. Health Professions and Related Clinical Sciences. Retrieved from: <https://nces.ed.gov/ipeds/cipcode/cipdetail.aspx?y=55&cipid=87605>

⁷ Higher Education Act of 1965. Retrieved from: <https://www.govinfo.gov/content/pkg/COMPS-765/pdf/COMPS-765.pdf>

⁸ National Center for Education Statistics definition of “First-Professional” degree. Retrieved from: <https://nces.ed.gov/pubs99/condition99/pdf/glossary.pdf>

⁹ Code of Federal Regulations § 668.2 General definitions, “Professional Degree” Retrieved from: <https://www.ecfr.gov/current/title-34/subtitle-B/chapter-VI/part-668/subpart-A/section-668.2>

¹⁰ The Integrated Postsecondary Education Data System (IPEDS) retired definition from 2008. Retrieved from: <https://nces.ed.gov/ipeds/report-your-data/archived-changes/2008-09>

¹¹ Federal Student Aid Office of the U.S. Department of Education. 2019-2020 Federal Student Aid Handbook. Retrieved from: <https://fsapartners.ed.gov/sites/default/files/2021-02/Complete%202019-2020%20Federal%20Student%20Aid%20Handbook%20with%20Active%20Index.pdf>

¹² Federal Student Aid Office of the U.S. Department of Education. 2024-2025 Federal Student Aid Handbook. Retrieved from: <https://fsapartners.ed.gov/knowledge-center/fsa-handbook/2024-2025/vol8/ch4-annual-and-aggregate-loan-limits>

When Congress enacted OBBBA, it retained the established terminology without altering this definition. This legislative choice strongly signals that Congress intended the Department to continue applying the historic, function-based meaning of “professional degree program.” Nothing in the statute or its legislative history suggests an intent to narrow the category to only a handful of professions or to exclude fields that require graduate-level preparation for licensed practice. Rather, Congress has repeatedly emphasized the importance of supporting the nursing workforce through the continued authorization and appropriation of funds for multiple federal programs, including Title VIII Nursing Workforce Development Programs, and broader health workforce initiatives.^{13,14}

Additionally, federal investments established under OBBBA, including the Rural Health Transformation (RHT) Program, reflect Congress’s clear and ongoing commitment to strengthening the nation’s healthcare workforce, including specifically advanced practice registered nurses, and ensuring access to high-quality care in underserved communities.¹⁵ By directing substantial resources toward stabilizing rural hospitals, expanding provider capacity, and supporting innovative care delivery models, these programs demonstrate congressional intent to bolster the clinicians who are foundational to the health system, particularly nurses who constitute the largest segment of the healthcare workforce and are essential to rural service delivery.¹⁶ Specifically, the RHT Program’s focus on sustaining rural providers, enhancing workforce recruitment and retention, and enabling team-based, interprofessional care aligns with the longstanding federal investment in nursing through Title VIII and other workforce initiatives. These provisions make evident that Congress views a strong nursing workforce as integral to health-system stability and robust access to care, further underscoring the need for federal policies, including the regulatory framework for student aid, to support the educational pathways that prepare nurses for advanced and evolving roles.

Finally, in the period between the conclusion of the negotiated rulemaking and the release of the NPRM, many members of Congress, in both the House and Senate and across party lines, have voiced their concern about the overly narrow definition of professional degree programs, and specifically the exclusion of post-baccalaureate nursing education.¹⁷ Not including post-baccalaureate nursing programs within the definition of a professional degree is therefore inconsistent with congressional intent, historical support for the nursing workforce and nursing education, and the longstanding interpretation of the term at the time Congress enacted OBBBA. AACN urges the Department to heed these voices, as they speak most clearly to the intentions of Congress, the underlying goals of the OBBBA, and the necessity of continuing to support and grow the nation’s healthcare workforce.

¹³ H.R.728 - Title VIII Nursing Workforce Reauthorization Act of 2019. Retrieved from: <https://www.congress.gov/bill/116th-congress/house-bill/728>

¹⁴ Recent examples include: FY2025 House Funding Chart. Retrieved from: <https://www.aacnnursing.org/Portals/0/PDFs/Policy/FY25-Funding-Chart-Senate-Bill.pdf>; FY2024 House Funding Chart. Retrieved from: <https://www.aacnnursing.org/Portals/0/PDFs/Policy/FY24-Funding-Chart-for-House.pdf>

¹⁵ H.R.1 - One Big Beautiful Bill Act, Sec. 71401. Retrieved from: <https://www.congress.gov/bill/119th-congress/house-bill/1/text>

¹⁶ Rural Health Transformation (RHT) Program Overview. Retrieved from: <https://www.cms.gov/priorities/rural-health-transformation-rht-program/overview>

¹⁷ Congressional letter led by Sen. Merkley, Sen. Wicker, Rep. Kiggans, and Rep. Bonamici. Retrieved from: <https://www.merkley.senate.gov/merkley-wicker-kiggans-bonamici-lead-bipartisan-bicameral-effort-to-oppose-new-limits-on-student-loans-for-nurses/>. See additional Congressional support: <https://www.aacnnursing.org/news-data/all-news/article/aacn-applauds-bipartisan-bicameral-congressional-support-for-nursing-as-a-professional-degree>.

Introduction of Novel Criteria for Determining Professional Degree Status

In departure from the plain language of the OBBBA and these long-established criteria, a significant element of the Department’s rationale for not including post-baccalaureate nursing as a professional degree program relies heavily on a newly introduced criteria about a professional degree leading to unsupervised practice after licensure in the NPRM that is being selectively applied to nursing. Specifically:

“Finally, the Department does not believe that the statute permits the classification of degrees as ‘professional’ when the degree leads to employment where the employee must be supervised by another professional who has, as required by their license and degree, more education, training, and qualifications than the person being supervised.”¹⁸

This requirement appears nowhere in the statutory text of OBBBA, was not included in the RISE Committee negotiated rulemaking, and is absent from the existing regulatory definition of “professional degree” in 34 CFR § 668.2 that the Department states it is applying in this NPRM. Historically, the definition of a “professional degree” has centered on whether a program signifies completion of the academic requirements for professional practice, confers professional skill beyond the bachelor’s level, and generally requires licensure. By adding this criterion, the Department effectively narrows the definition without statutory authority and departs from the framework and Congressional intent they claim to follow.

The Department’s focus on supervision also reflects a misunderstanding of how professional practice operates across regulated fields. Supervision is endemic to modern healthcare and exists within virtually all clinical professions through credentialing, institutional governance, peer review, and structured transition-to-practice models. Physicians, dentists, psychologists, and pharmacists routinely practice within layered oversight systems, particularly early in their careers, yet their degrees are not disqualified as professional on that basis. Further, conditioning professional degree status on employment or supervision arrangements shifts the construction of the definition of a professional degree away from education and licensure and toward mutable features of state regulation and workplace structure. This approach produces inconsistent outcomes and undermines the predictability of federal student aid policy.

The Department also specifically highlighted nurse practitioners (NPs). It is important to note that NPs are educated at the master’s or doctoral level to provide comprehensive primary, acute, chronic, and specialty care. Their critical work includes assessing patients; ordering, performing, supervising, and interpreting diagnostic tests; making diagnoses; and initiating and managing treatment, including prescribing medications and non-pharmacologic therapies. These functions are equivalent in scope and rigor to those of other health professions already designated as “professional,” such as medicine, dentistry, and pharmacy.

NP education, accreditation, and board certification are governed by national standards independent of state practice environments, and NPs hold prescriptive authority in all 50 states and the District of Columbia, providing nearly one billion patient visits annually, with full

¹⁸ U.S Department of Education. Reimagining and Improving Student Education [Docket ID ED-2025-OPE-0944]. Retrieved from: <https://www.govinfo.gov/content/pkg/FR-2026-01-30/pdf/2026-01912.pdf>

practice authority now recognized in twenty-seven states, the District of Columbia and two U.S. territories.¹⁹ Research has also found that NPs “are significantly more likely than primary care physicians to care for vulnerable populations” and that “nonwhites, women, American Indians, the poor and uninsured, people on Medicaid, those living in rural areas, Americans who qualify for Medicare because of a disability, and dual-eligibles are all more likely to receive primary care from NPs than from physicians.”²⁰

Economic Impacts of Proposed Federal Loan Limits

Impact on Post-Baccalaureate Nursing Students

The proposed definition’s failure to include post-baccalaureate nursing programs will have immediate and significant consequences. Programs such as post-baccalaureate entry-level master’s pathways, full-time DNP programs, and nurse anesthesia programs require year-round enrollment and carry tuition levels that reflect clinical intensity. If subjected to the \$20,500 annual and \$100,000 aggregate graduate loan limits, many students will be unable to meet educational and living expenses without resorting to high-interest private loans, if they have the credit history to qualify.

Findings from a recent AACN’s survey of nursing school deans highlight the central role that federal student aid plays in sustaining post-baccalaureate nursing education. In fact, respondents illustrated how the new graduate loan caps will significantly restrict access to nursing education and lead to significant downstream consequences for nursing faculty and broader nursing education pathways. Specifically:

- 78% of deans indicated that the \$20,500 annual loan limit would negatively affect enrollment in post-baccalaureate nursing programs.²¹
- 70% of deans reported that the \$100,000 aggregate borrowing cap would similarly reduce enrollment.²²
- 77% of deans reported that the new loan caps would negatively impact faculty at their institutions, signaling concerns about reduced program viability, constrained enrollment, and diminished ability to recruit and retain qualified educators.²³
- 71% of deans anticipated negative effects on baccalaureate enrollment, underscoring that financial barriers at the post-baccalaureate level can reverberate across the entire ecosystem of nursing education.²⁴
- 82% of students reported that the \$20,500 annual loan limit would negatively affect their ability to finance their education.²⁵

¹⁹ American Association of Nurse Practitioners. 2026. *State Practice Environment*. Retrieved from:

<https://www.aanp.org/advocacy/state/state-practice-environment>

²⁰ American Enterprise Institute. 2018. *Nurse Practitioners: A Solution to America’s Primary Care Crisis*. Retrieved from:

<https://www.aei.org/wp-content/uploads/2018/09/Nurse-practitioners.pdf?x97961>

²¹ American Association of Colleges of Nursing. 2025. *Assessing the Impact of Federal Loan Limits on Post-Baccalaureate Nursing Education: Perspectives from Deans and Students*. Retrieved from:

<https://www.aacnnursing.org/Portals/0/PDFs/Data/AACN-Data-Loan-Cap-Survey-Report-December-2025.pdf>

²² Ibid.

²³ Ibid.

²⁴ Ibid.

²⁵ Ibid.

- 81% of students indicated that the \$100,000 aggregate borrowing cap would have a similarly detrimental impact.²⁶

These results reflect the reality that post-baccalaureate nursing programs are clinically intensive, often require full-time or year-round enrollment, and carry costs that exceed the new graduate borrowing limits. They also underscore the potential negative impact of enrollment and graduations at the baccalaureate level, which can have long lasting consequences for the health of all communities. Limiting access to federal financial aid to inadequate levels for post-baccalaureate nursing education threatens not only individual students, but also institutional capacity and the nation’s ability to prepare the nursing workforce needed to meet current and future healthcare demands.

These findings also demonstrate a fundamental mismatch between the new annual loan limits and the actual cost structure of post-baccalaureate nursing education. Nursing students across master’s and doctoral programs reported an average annual cost of approximately \$38,500, nearly double the new annual graduate borrowing cap, with many programs operating on year-round or trimester schedules rather than traditional two-semester academic calendars.²⁷ As a result, many students indicated that the proposed limits would make it difficult or impossible to cover tuition, clinical education fees, and living expenses using federal loans alone.

The Department’s own data and ongoing regulatory discussions further support the negative impacts that not classifying nursing as a professional degree would have on the workforce. For example, during the Accountability in Higher Education and Access through Demand-driven Workforce Pell (AHEAD) negotiated rulemaking session, the Department distributed program performance data to the committee members.²⁸ The Department’s own data show that among pooled 2017-18 and 2018-19 completer cohorts and with debt inflation adjusted to 2019 dollars using CPI-U, the average Stafford and Grad PLUS loan debt disbursed to students across 428 nursing master’s programs ranged from \$13,825 to \$144,094; across 158 doctoral programs loan debt ranged from \$27,180 to \$181,252.²⁹ These data again suggest that for many post-baccalaureate nursing programs, the aggregate limit of \$100,000 would be insufficient. In addition, within the dataset shared by the Department during the AHEAD session, programs within the “Registered Nursing, Nursing Administration, Nursing Research and Clinical Nursing” category are referred to in the “credential level” column in some instances as “Doctoral” and at other times as “First Professional Degree.” As this data is drawn from the Department’s own *College Scorecard* tool, it would once again suggest that the Department has historically recognized these as “professional degree” programs.^{30,31}

²⁶ American Association of Colleges of Nursing. 2025. *Assessing the Impact of Federal Loan Limits on Post-Baccalaureate Nursing Education: Perspectives from Deans and Students*. Retrieved from: <https://www.aacnnursing.org/Portals/0/PDFs/Data/AACN-Data-Loan-Cap-Survey-Report-December-2025.pdf>

²⁷ Ibid.

²⁸ Department of Education. AHEAD Session 2 Program Performance Data (Debt, Earnings, and Earnings Test Metrics). Retrieved from: <https://www.ed.gov/laws-and-policy/higher-education-laws-and-policy/higher-education-policy/negotiated-rulemaking-for-higher-education-2025-2026>.

²⁹ Ibid.

³⁰ Ibid.

³¹ Department of Education. AHEAD Session 2 Program Performance Data Variable Codebook. Retrieved from: <https://www.ed.gov/media/document/ahead-session-2-program-performance-data-variable-codebook-112904.pdf>

Return on Investment for Post-Baccalaureate Nursing Degrees

Post-baccalaureate nursing degrees demonstrate one of the strongest returns on investment of any graduate or professional field. National labor-market data from the U.S. Bureau of Labor Statistics (BLS) show that graduates of advanced nursing programs move directly into high-demand roles with median salaries exceeding those of bachelor's-prepared registered nurses and surpassing the earnings typical of many other disciplines. Examples of this need and return on investment include:

- BLS reports mean annual wages ranging from \$132,000 for Nurse Practitioners,³² \$231,700 for Nurse Anesthetists,³³ and \$128,110 for Nurse Midwives.³⁴
- A comprehensive national analysis of nearly 14,000 post-baccalaureate programs found that, while the median master's degree across all disciplines yields an estimated lifetime earnings increase of approximately \$83,000 after accounting for tuition, fees, and opportunity costs, master's programs in nursing stand out as among the most reliable and highest-return investments in graduate education.³⁵
- Most nursing master's programs generate lifetime earnings gains exceeding \$500,000, placing nursing alongside fields such as engineering and computer science as disciplines that “virtually guarantee” a positive return on investment.³⁶

These indicators confirm that post-baccalaureate nursing programs yield stable, well-compensated career trajectories that warrant the borrowing authority associated with professional degree programs and align with the Department's stated interest in programs that lead to strong student outcomes.

Limited Evidence for a Relationship between Federal Loan Availability and Influence on Tuition Costs

While post-baccalaureate nursing degrees have a strong ROI relative to cost, research on the relationship between federal student loan availability and tuition pricing does not support a causal link between increased federal aid and broad tuition inflation, suggesting that a reduction in federal loan availability would not exert any downward pressure on tuition costs. The literature reflects mixed and context-dependent findings with some empirical analyses suggesting partial pass-through effects in specific sectors. For example, a Federal Reserve-affiliated study estimated that “increases in loan limits would have essentially zero effect” with their estimates indicating that “tuition would have increased \$0.10 for every \$1 increase in borrowing limits.”³⁷

Other research has concluded that the evidence is inconsistent and insufficient to establish a causal relationship between federal loan availability and tuition growth across the higher education landscape. Specifically, the Congressional Research Service (CRS) has found that studies attempting to isolate the impact of federal aid on tuition produce divergent results and

³² Bureau of Labor Statistics. 29-1171 Nurse Practitioners. Retrieved from: <https://data.bls.gov/oesprofile/>

³³ Bureau of Labor Statistics. 29-1151 Nurse Anesthetists. Retrieved from: <https://data.bls.gov/oesprofile/>

³⁴ Bureau of Labor Statistics. 29-1161 Nurse Midwives. Retrieved from: <https://data.bls.gov/oesprofile/>

³⁵ Cooper, Preston. 2025. *Is Grad School Worth It? A Comprehensive Return on Investment Analysis*. The Foundation for Research on Equal Opportunity. Retrieved from: <https://freopp.org/whitepapers/is-grad-school-worth-it-a-comprehensive-return-on-investment-analysis/>

³⁶ Ibid.

³⁷ Grey, Gordon and Aaron Hedlund. 2022. *Student Loans and Tuition: Theory and Evidence*. Retrieved from: https://www.richmondfed.org/publications/research/economic_brief/2022/eb_22-32.

often show no statistically significant effect in public and nonprofit sectors.³⁸ These findings underscore that tuition trends are influenced by multiple interacting variables and cannot be attributed to changes in borrowing limits alone.

The structural economics of nursing education further undermines the assumption that reduced loan availability will translate into lower tuition. This theory would only hold if nursing programs generated excess profit margins that could absorb tuition reductions; however, nursing schools are relatively high-cost units on many campuses due to the intrinsic cost of clinical education.³⁹ Post-baccalaureate nursing programs require substantial investment in clinical simulation laboratories, contractual agreements with clinical sites and preceptors, specialized academic and clinical faculty, and research infrastructure, all of which represent fixed costs that cannot be easily reduced without compromising educational quality.⁴⁰ It is also important to note that unlike their physician counterparts who get paid during their residency, most advanced practice nurses are required to complete their education and clinical hours without the support of a salary, making this “professional degree” designation even more important to their education.

Taken together, the existing body of research does not support the conclusion that restricting federal student loan access will reliably reduce tuition across higher education, and the cost structure of nursing education demonstrates that professional programs cannot sustainably and safely lower prices in response to lower borrowing limits.

Economic Contributions of Colleges and Universities to Local Economies

Colleges and universities also serve as critical anchor institution within their local and regional economies, generating economic benefits that extend well beyond their core educational mission. Empirical evidence demonstrates that higher education institutions contribute directly to job creation and wage growth through faculty and staff employment, while also stimulating demand in related sectors such as healthcare, housing, retail, and research-intensive industries. These impacts are amplified through student and visitor spending, institutional purchasing, and the attraction of businesses that depend on a skilled workforce and knowledge-based activity.⁴¹

Research has found that in rural micropolitan areas “one million dollars in university external research expenditures is associated with \$711,000 in value added, 10 jobs, and \$159,000 in tax revenue” while in larger metropolitan areas “one million dollars in university external research expenditures is associated with \$945,000 in value added, 9 jobs, and \$164,000 in tax revenue.”⁴² These findings show that colleges and universities are drivers of economic growth and that decreases in the availability of federal student aid can reasonably be expected to have negative

³⁸ Congressional Research Service. 2014. *Overview of the Relationship between Federal Student Aid and Increases in College Prices*. Retrieved from: <https://www.congress.gov/crs-product/R43692>

³⁹ The National Academies: Division of Health Care Services Institute of Medicine. 1983. *Nursing and Nursing Education Public Policies and Private Actions*. Retrieved from: <https://www.ncbi.nlm.nih.gov/books/NBK218537/>

⁴⁰ Ibid.

⁴¹ Howard, Greg, Russel Weinstein, and Yuhao Yang. 2025. *Do Universities Improve Local Economic Resilience?* IZA Discussion Paper No. 14422. Retrieved from: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3865447

⁴² Apriesnig, Jenny et. Al. 2024. Regional economic impact of university research expenditures. *Studies in Higher Education*. Retrieved from: <https://www.tandfonline.com/doi/abs/10.1080/03075079.2024.2376262>

economic repercussions across the broader local economy. Relatedly, the February BLS Job Report found that healthcare added 82,000 jobs in January of 2026 alone.⁴³

Exacerbation of Unmet Nursing Workforce Demand

Subjecting post-baccalaureate nursing degrees to inadequate loan limits would also have compounding effects across the whole of the healthcare landscape, with significant implications beyond education, impacting the future healthcare workforce. This should be a key area of concern for the Department, as demand for nurses is expected to experience particularly strong growth over the next decade:

- BLS estimates an average of 32,700 openings for nurse anesthetists, nurse midwives, and nurse practitioners each year through 2034, representing 35% growth and significantly outpacing the 3% projected growth across all occupations.⁴⁴
- AACN's enrollment surveys have also shown a decline in enrollment in nursing Ph.D. programs for eleven consecutive years.⁴⁵

At a time of increasing demand for healthcare providers, specifically nurses, maintaining the available financing options for nursing education is imperative to the viability of the nursing workforce, from educators and students to practitioners on the frontlines of delivering quality healthcare.⁴⁶

Proposed Loan Limits Constrain Consumer Choice

The Department's proposed loan limits for post-baccalaureate nursing degrees will constrain consumer choice by reducing the set of viable educational options available to prospective nursing students at the post-baccalaureate levels. Students often choose among multiple nursing programs based on format, location, clinical partnerships, and program focus and these choices depend on the ability to finance enrollment. By applying the lower graduate loan caps to post-baccalaureate nursing programs, the NPRM transforms what should be an educational decision into a liquidity constraint, narrowing choice to only those programs that can be completed within the new borrowing limits.

These effects will fall unevenly across regions and student populations. In many markets, especially rural or underserved areas, students already face a limited number of nearby institutions offering post-baccalaureate nursing programs. If those programs become financially

⁴³ Bureau of Labor Statistics. Economic News Release. Employment Situation Summary (Feb. 11, 2026). Retrieved from: <https://www.bls.gov/news.release/empsit.nr0.htm>

⁴⁴ Bureau of Labor Statistics. Occupational Outlook Handbook, Nurse Anesthetists, Nurse Midwives, And Nurse Practitioners, 2024-2034. Retrieved from: <https://www.bls.gov/ooh/healthcare/nurse-anesthetists-nurse-midwives-and-nurse-practitioners.htm#tab-6>

⁴⁵ AACN. Schools of Nursing Enrollment Increases Across Most Program Levels, Signaling Strong Interest in Nursing Careers. 2025. Retrieved from: <https://www.aacnnursing.org/news-data/all-news/article/schools-of-nursing-enrollment-increases-across-most-program-levels-signaling-strong-interest-in-nursing-careers>

⁴⁶ Confusingly, the Department states that "A substantial discussion centered around the need for workers in specific fields, however, the definition of professional degree used in 34 CFR 668.2 considered only the characteristics of the program and the requirements of the profession; it did not consider the need for workers in a given field. Congress did not instruct the Department to take need into account when determining which programs are eligible for the higher loan limits." Professional education exists precisely to prepare individuals for practice in essential fields. Federal student aid policy has long supported professional education in medicine, law, and other licensed professions because of their societal importance. Failing to include nursing as a professional degree is in tension with longstanding congressional investments in nursing education and workforce programs, as noted above, and undermines the alignment between student aid policy and national healthcare workforce priorities.

inaccessible due to the proposed loan limits, students may be forced to relocate, delay enrollment, or abandon their intended career path altogether. This diminishes meaningful consumer choice by tying educational opportunities to geography and personal wealth rather than to merit or program availability.

Moreover, restricting federal loan access is likely to shift students toward a narrower subset of programs designed primarily around cost minimization rather than clinical quality or specialization. Post-baccalaureate nursing education encompasses a range of pathways, such as primary care, anesthesia, midwifery, and clinical leadership, that align with distinct workforce needs. When financing constraints dictate enrollment decisions, students lose the ability to select programs based on the type of care they wish to provide or the populations they aim to serve. Over time, this distortion of consumer choice may ultimately weaken the alignment between educational programs and healthcare system demand.

Proposed Loan Limits and Public Service Loan Forgiveness (PSLF)

Of note, the Department identifies Public Service Loan Forgiveness (PSLF) programs as sources of taxpayer liability rather than as policy mechanisms designed to serve public objectives, stating that “changes to student loans enacted in the OBBB will result in significant savings to the taxpayer by reducing the excessive subsidy costs of loan forgiveness and other high-cost terms and conditions. Specifically, the new annual and lifetime caps on borrowing will reduce taxpayer exposure for loans that could potentially be forgiven under the Department’s Public Service Loan Forgiveness Program, Closed School Loan Discharges, Borrower Defense to Repayment discharges, death of the borrower discharges, total and permanent disability discharges, time-based forgiveness discharges under income based repayment, and discharges that may occur in bankruptcy.”⁴⁷

This characterization overlooks the fact that PSLF was enacted to encourage professionals to work in high-need and underserved environments. For nursing, PSLF supports staffing in public hospitals, community health centers, and rural facilities. Treating these programs as fiscal liabilities rather than workforce investments obscures their purpose and minimizes the societal return generated by professionals who benefit from these programs. Furthermore, President Trump recognized the importance of PSLF, particularly with respect to nurses, in his 2025 Message on National Nurses Day, observing that his Administration was “refocusing Public Service Loan Forgiveness on its original intent of encouraging Americans to enter essential public service roles, such as nursing. By doing so, we hope to inspire a new generation of Americans to pursue careers in vital public services, contributing to a healthier, stronger Nation.”⁴⁸

⁴⁷ U.S Department of Education. Reimagining and Improving Student Education [Docket ID ED-2025-OPE-0944]. Retrieved from: <https://www.govinfo.gov/content/pkg/FR-2026-01-30/pdf/2026-01912.pdf>

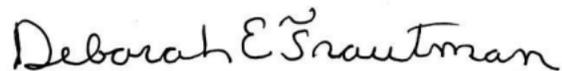
⁴⁸ President Donald Trump. Message on National Nurses Day, 2025. Retrieved from: <https://www.whitehouse.gov/briefings-statements/2025/05/message-on-national-nurses-day-2025/>

Conclusion

AACN requests that the Department modify its proposed regulatory definition of professional degree programs by explicitly including post-baccalaureate nursing programs (MSN, DNP, PhD), as outlined under the “Health Professions and Related Clinical Sciences” series of Classification of Instructional Programs (CIP) codes (Series 51.38). These programs unambiguously meet the educational, regulatory, and functional meaning of the professional degree classification, and failing to include them undermines the nation’s ability to educate the future nursing workforce, which is essential to meeting urgent healthcare needs.

Thank you for your consideration of AACN’s comments on this Notice of Proposed Rulemaking. Maintaining adequate access to federal student loans for post-baccalaureate nursing education is critical to the optimal functioning of our healthcare system and necessary for supporting the future growth of the healthcare workforce. A definition of professional degree programs that includes post-baccalaureate nursing education reflects congressional intent and continues to be necessary to support the educational infrastructure that ensures a strong nursing workforce. Please consider AACN an ally in this endeavor. If our organization can be of any assistance, contact AACN’s Director of Policy and Regulatory Affairs, Dr. Josh Adams at jadams@aacnnursing.org.

Sincerely,

A handwritten signature in cursive script that reads "Deborah E. Trautman".

Deborah E. Trautman, PhD, RN, FAAN
President and Chief Executive Officer
American Association of Colleges of Nursing