



March 2, 2026

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

Docket ID ED-2025-OPE-0944

The American Association of Community Colleges (AACC) represents the nation's 1,024 community colleges and their 10 million students. We are pleased to submit comments related to the Department of Education's (ED) January 30 Notice of Proposed Rulemaking (NPRM) on the Reimagining and Improving Student Education (RISE) negotiated rulemaking. The NPRM reflects the consensus language reached by negotiators to implement the loan origination and repayment changes of H.R. 1, the One Big Beautiful Bill Act (OBBBA).

Additional guidance needed on loan proration policies

AACC shares the Department's goal of implementing the loan changes of OBBBA in close alignment to the statute, with minimal additional institutional requirements or administrative burdens added through the regulatory process. We appreciate that the NPRM, reflecting the consensus language, maintains this approach.

However, community college financial aid officers have a myriad of remaining questions on how certain changes – chiefly the new proration of loan maximums based on enrollment intensity – will work out in practice.

While only 12 percent of community college students borrow, many who do so attend on a part-time basis or see their enrollment intensity change from semester to semester in response to work and family obligations. To ensure that community colleges are positioned to administer the new loan proration requirements with minimal disruption for students or additional burden for community college financial aid administrators, AACC strongly urges the Department to instruct the Office of Federal Student Aid (FSA) to issue comprehensive subregulatory guidance on how the new loan proration policies will apply to a host of different student use-cases.

In particular, community colleges request guidance and best practices for reducing loan maximums for less than full-time students across a wide set of student scenarios, including:

- If a student is enrolled in a program that is less than one academic year or whose enrollment is for less than one academic year;
- If a student's enrollment intensity decreases after a loan disbursement has been made, including a clarification on whether an institution can reduce loans for the affected

- period of enrollment or if it must wait until a future term;
- If a student's enrollment intensity decreases after a loan disbursement has been made, but during the institution's add/drop period; and
 - If a student fully withdraws from a term before the 60 percent mark and if a student fully withdraws from a term after the 60 percent mark.

Community colleges also request clarity on how the new loan proration requirements will apply to students enrolled less than full-time whose enrollment intensity varies across the two semesters in a single academic year.

For example, if a student takes 12 credits across fall and spring, a basic understanding of the policy is that the student would be considered half-time and should be eligible to receive half of the annual loan limit. Based on AACC's read of the NPRM, this would be the case if a student enrolls in 3 credits in the fall and 9 in the spring. However, if a student enrolls in 9 credits in the fall and 3 in the spring, they would fall below half-time enrollment in the spring, and those credits would not count towards a student's annual credit load for loan proration. In this case, despite taking enough courses to be considered half-time on an annual basis (conferring 50 percent of the student's annual loan maximum), the student would only loan eligibility equivalent to 9 credits – or around 37.5 percent – of the annual maximum.

Because community college students often have variable enrollment intensity across semesters, AACC members request additional clarity on this specific scenario. AACC feels that it would be appropriate and closer to the statute's intent to allow institutions to consider the credits to be accumulated in the spring for the fall disbursement amount, or in commensurate situations.

Expedient guidance, resources, and technical specifications

Financial aid officers at community colleges are compliance-oriented and take pride in being responsible stewards of Title IV dollars. They rely on clear instructions, robust guidance, responsive FAQs, and other FSA resources that answer questions and resolve any ambiguity before moving forward with packaging and disbursing financial aid. Ensuring that subregulatory guidance on these issues and others is available to institutions as soon as possible will ensure that colleges are able to move forward with processing and, occasionally, reprocessing financial aid offers for students for the 2026-27 award year with as few delayed disbursements as possible.

Importantly, this guidance should be provided with ample time for colleges to communicate these changes to current and prospective students and to update institutional policies. Even more critically, subregulatory guidance and technical specifications should be issued with adequate lead time for financial aid management vendors to test and update systems used by institutions.

Support loan access for nurse educator pipeline

Community colleges rely on a robust pipeline of nurse educators with postbaccalaureate credentials to serve as faculty. Many community colleges, especially in high-need, rural

communities, struggle to recruit enough qualified nursing faculty members to meet student, workforce, and community demands. AACC joins the American Council on Education (ACE) and other higher education groups in expressing concern that the Department has limited the definition of a professional student for the purpose of student loan limits in a way that could limit access to postbaccalaureate nursing education and ultimately shorten the supply of qualified nursing faculty. We urge the Department to consider adding nursing to the list of qualifying professional programs to ensure the strongest possible pipeline of nursing educators for community college nursing and health care programs.

Support needed for high-risk, low-balance borrowers

As the Department implements the loan repayment changes in the OBBBA, community colleges urge the Department to consider future actions to assist and support low-balance borrowers who are at risk of default. While new policies are being implemented as part of OBBBA may improve repayment terms for many borrowers, the law unfortunately does not include a shorter timeline to forgiveness for many small balance borrowers enrolled in the Repayment Assistance Plan (RAP).

As stated, only 12 percent of community college students borrow—much less frequent than among students attending other types of institutions – and when they do borrow, it is typically less than \$10,000. However, community college borrowers are more likely to be low-income, face greater obstacles to repayment, and, despite their lower loan amounts owed, are at higher risk of default. Based on nonrepayment data released by the Department in February 2026, many community college borrowers are struggling to enter or remain in active repayment. Community college officials understand their obligation to engage in default prevention activities and have every hope that many of the changes being implemented as part of the OBBBA will decrease defaults. However, as the OBBBA retained the Secretary’s authority to issue new repayment policies, we ask the Department to consider implementing a shorter timeline to forgiveness under the RAP for small-balance borrowers. This policy is equitable given the specific circumstances of low-balance borrowers.

Community college representation on negotiated rulemaking committees

AACC looks forward to ED’s thoughtful consideration of these comments and appreciates the Department’s willingness to work with community colleges throughout the rulemaking process. However, AACC continues to strongly oppose the Department’s decision to merge representation of two-year and four-year public institutions of higher education for both the RISE and Accountability in Higher Education and Access through Demand-driven Workforce Pell (AHEAD) negotiating rulemaking committees. This approach has been deeply troubling to two- and four-year public institutional leaders alike, and AACC has joined with their institutional associations to ask ED through past correspondence to urge the Department to rethink this arrangement.

Since the inception of ED’s negotiated rulemaking process, dating back to 1994, community colleges have had their own “seat at the table” in every relevant topical area. The reason for this

policy has been obvious and compelling: Community colleges enroll almost 40 percent of all the students in higher education. Furthermore, community colleges diverge in important ways from four-year public institutions in terms of programs, funding, governance, and most relevant for these comments, student enrollment patterns, borrowing behavior, and repayment outcomes.

ED has an understandable motivation to limit the number of negotiating parties, but community college representation at the RISE Committee would have improved the quality of the consensus language and the utility of the rulemaking process to the benefit of community college students and all students. As the Department looks to craft future negotiated rulemaking tables, including the upcoming Accountability, Innovation, and Modernization (AIM) Committee, we strongly urge the restoration of a designated seat for two-year public institutions.

Thank you for your attention to these comments. Please contact me or David Baime, Senior Vice President for Government Relations (dbaime@aacc.nche.edu), if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "DeRionne P. Pollard".

DeRionne P. Pollard, Ph.D.

President and CEO