

# SOUTHWESTERN

LAW SCHOOL  
Los Angeles, CA

## Federal Financial Aid Eligibility Policy

**Administrative policy. Effective immediately.**

**Revision history:** Technical edits made December 15, 2021; revised September 18, 2022, to increase summer minimum hours effective as of Summer 2024; revised November 18, 2022, to change summer minimum hours effective as of Summer 2024; technical edits made August 18, 2023; technical edits made in May 2025; substantive edits made June 2026 to address changes in applicable law and regulations governing federal financial aid.

**Related policies:** Financial Aid Satisfactory Academic Progress Policy; Student's Right to Cancel and Tuition Refund Policy; Return of Title IV Funds Policy; Academic Disqualification, Academic Probation, and Academic Improvement Program Policies; Maximum and Minimum J.D. Units Policy (Including ABA Standard 311(a) Classroom Credit Hours Requirement); Graduation Requirements Policy; Course Sequence Policy; Incomplete Grade Policy; Institutional Leave of Absence and Return Policy; Student Health-Related Institutional Leave of Absence and Return Policy

**Scheduled Review Date:** January 2027 (Financial Aid Office)

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#### A. J.D. Students

Federal financial aid eligibility, loan limits, and related requirements are governed by federal law and are subject to change through legislation, federal regulations, and guidance issued by the U.S. Department of Education or other governmental

authorities. Southwestern will interpret and administer this policy consistent with applicable law. To the extent any provision of this policy conflicts with applicable law or governmental guidance, Southwestern reserves the right to interpret, apply, modify, or depart from this policy as necessary to comply with those requirements.

## **1. General eligibility**

Southwestern Law School's Juris Doctor (J.D.) program is accredited by the Council of the Section of Legal Education and Admissions to the Bar of the American Bar Association. As such, a Southwestern J.D. student may be eligible to receive federal financial aid if the student:

- is enrolled or accepted for enrollment as a J.D. student on at least a half-time basis;
- is:
  - a U.S. citizen or national;
  - a lawful permanent resident of the U.S.; or
  - another eligible noncitizen who provides evidence from the [U.S. Citizenship and Immigration Services](#) demonstrating that they are in the U.S. for other than a temporary purpose and intend to become a permanent resident or citizen (a copy of the individual's green card may be required);
- demonstrates financial need (for need-based aid only);
- is maintaining Satisfactory Academic Progress according to the Financial Aid Satisfactory Academic Progress Policy;
- does not owe a refund, repayment, or overpayment on a federal Title IV grant or loan, as applicable (e.g., Pell Grant, Perkins Loan, or FSEOG);
- has a valid Social Security number, if required; and
- has not resolved a default on any federal student loan.

Citizens of the Freely Associated States, including the Federated States of Micronesia, the Republic of Palau, or the Republic of the Marshall Islands, may be eligible for certain federal student aid programs but are not eligible for federal Direct Unsubsidized Loans. Eligibility will be determined under applicable federal law and U.S. Department of Education guidance.

A student's eligibility for certain types and amounts of federal financial aid may vary based on the student's matriculation date, enrollment status, academic program, and prior federal student loan borrowing history. Provisions of the One Big Beautiful Bill Act (OBBBA), including provisions

limiting Graduate PLUS borrowing and establishing annual, aggregate, and lifetime federal loan limits, may affect a borrower's continued eligibility for certain federal loans and borrowing amounts.

Certain students who received a federal student loan disbursement before July 1, 2026 may qualify for transitional federal loan eligibility provisions under applicable federal law (legacy status). For purposes of this policy, "legacy status" refers to eligibility for the federal interim exception to the post-July 1, 2026 loan limits. In some circumstances, interruption of enrollment or institutional leave of absence may affect a student's ability to maintain legacy status and may result in the application of newer federal borrowing limits or restrictions. Students considering a withdrawal, institutional leave of absence, or other change in enrollment status are encouraged to consult the Financial Aid Office regarding the potential impact on federal financial aid eligibility. Loss of legacy status will permanently subject the student to newer federal borrowing limitations and restrictions established under applicable law.

**Important note:** An institutionally-approved leave of absence does not preserve federal financial aid eligibility or legacy status under federal law. Students considering an institutional leave of absence should consult the Financial Aid Office in advance regarding potential federal financial aid consequences.

The Financial Aid Office will determine aid eligibility once the office has received the student's FAFSA and all required supporting documents. Please visit Southwestern's Financial Aid [webpage](#) for additional information about financial aid, including:

- how to apply;
- deadlines;
- veteran benefits;
- FAFSA;
- Southwestern's financial aid application;
- Southwestern's Financial Aid Code of Conduct;
- Direct Unsubsidized Loan Master Promissory Note;
- Direct Graduate PLUS Loan Master Promissory Note;
- packaging policies;
- award notifications;
- entrance and exit interviews;
- award disbursements;
- appeals;

- confidentiality;
- FAQs; and
- contact information.

## **2. Graduate PLUS Loans**

The Graduate PLUS Loan program was eliminated by the OBBBA, effective July 1, 2026, for all borrowers, except those who were enrolled in their program at Southwestern and received a federal Direct Unsubsidized Loan for that program before that date. Students who qualify for legacy status may continue to access Graduate PLUS Loans during their expected time to credential (ETC) as defined by regulations; however, Graduate PLUS eligibility ends immediately and permanently upon ETC expiration or loss of legacy status. Graduate PLUS Loan eligibility under the interim exception is available only during the student's ETC, as determined under applicable federal law and U.S. Department of Education guidance. The applicable end date may vary by student based on program, matriculation date, enrollment history, and other federally relevant factors.

## **3. New federal Direct Unsubsidized Loan borrowing limits**

Federal law imposes annual, aggregate, and lifetime borrowing limits on federal student loans for graduate and professional students. For purposes of these federal Direct Loan limits, Southwestern's J.D. program is treated as a professional degree program. These limits may affect a student's eligibility to borrow federal loans while enrolled at Southwestern.

Subject to applicable federal law and U.S. Department of Education guidance and whether a student qualifies for legacy status, effective for loan periods beginning on or after July 1, 2026:

- professional students generally may not borrow more than \$50,000 per academic year in federal Direct Unsubsidized Loans;
- professional students are subject to a \$200,000 aggregate limit on federal Direct Unsubsidized Loans for graduate and professional study; and
- graduate and professional borrowers are subject to a \$257,500 lifetime borrowing limit for Title IV federal student loans.

Prior federal student loan borrowing, including borrowing for undergraduate, graduate, or professional study at other institutions, may reduce a student's remaining federal loan eligibility at Southwestern. Different categories of prior borrowing count differently for different limits.

Federal law may calculate loan limits differently depending on the program. For example, some limits are based on outstanding balances, while others may include amounts previously borrowed even if later repaid, forgiven, canceled, or discharged.

Extended enrollment periods, repeated coursework, reduced enrollment intensity, or other delays in academic progression may affect a student’s remaining federal financial aid eligibility.

Because federal borrowing limits may depend on a student’s prior borrowing history and individual circumstances, students are encouraged to consult the Financial Aid Office regarding their remaining federal loan eligibility and the potential impact of applicable annual, aggregate, or lifetime borrowing limits. Students are encouraged to review their federal borrowing history through the National Student Loan Data System or any successor federal system.

**4. Minimum hours status**

Among other federal requirements, only students enrolled on at least a half-time basis are eligible to receive federal aid. Therefore, regardless of whether a student is classified as a full-time or part-time student by the Registrar’s Office, loan eligibility for federal aid purposes requires at least half-time enrollment, as defined below:

<b>Semester or Quarter*</b>	<b>Full-time status</b>	<b>At least half-time status</b>
<b>Fall or Spring</b>	10 units	5 units
<b>Summer</b>	3 units	3 units
<b>SCALE (Quarters 1-8, excluding Summer)</b>	5 units	SCALE is structured as a full-time program; reduced enrollment will be reviewed individually for financial aid purposes

\*May include J.D. study-abroad programs and J.D.-dual-degree programs.

Under the SCALE program, 5 credits in each SCALE quarter is considered full-time.

Courses that count toward completion of the degree program are the basis for enrollment level determinations, even if a student receives an Incomplete grade.

Beginning July 1, 2026, students enrolled less than full-time may be subject to prorated annual Direct Unsubsidized Loan limits, even if they remain

enrolled at least half-time and even if they otherwise qualify for the interim exception.

**Important note:** “Full-time” and “part-time” status as used in this policy is for financial aid purposes only. To determine “full-time” and “part-time” status for purposes of academic programs and progression, students should consult the Maximum and Minimum J.D. Units Policy (Including ABA Standard 311(a) Classroom Credit Hours Requirement), Graduation Requirements Policy, and Course Sequence Policy.

## **5. Recalculation of aid awards**

Federal financial aid awards are based in part on a student’s enrollment status at the time of registration and disbursement. Changes in enrollment status, including dropping courses, withdrawing from courses, taking an institutional leave of absence, or reducing enrollment below full-time status, may affect a student’s eligibility for federal financial aid, including future federal loan disbursements. Incomplete grades are handled in accordance with Southwestern’s Incomplete Grade Policy, but count toward full-time enrollment for the term in which the course is initially counted.

In accordance with federal law and regulations, including changes enacted under the OBBBA, the Financial Aid Office will recalculate a student’s federal loan eligibility when the student experiences an enrollment status change during an award year.

Recalculation may occur for enrollment status changes that take place after the add/drop period, including situations in which a student reduces course units during a term but remains enrolled in at least one course. In these circumstances, future federal loan eligibility and subsequent disbursements for the award year may be reduced or adjusted based on the student’s revised enrollment status, consistent with federal loan proration requirements.

Effective July 1, 2026, federal law generally limits professional students to \$50,000 per academic year in Direct Unsubsidized Loans, subject to applicable proration requirements based on enrollment intensity. Students enrolled less than full-time will receive a prorated annual loan limit based on their actual enrollment intensity.

If a student receives a federal loan disbursement based on preliminary registration information and subsequently drops sufficient units to change

their enrollment status (e.g., from full time to less than full time), the Financial Aid Office will evaluate whether adjustments to future loan eligibility or disbursements are required. Changes in enrollment status are periodically reported to the National Student Loan Data System (NSLDS). A reduction in enrollment status may also affect applicable grace periods or trigger loan repayment obligations.

For students who qualify for legacy status, enrollment status changes may also affect the calculation of the ETC. The ETC is based on the published length of the student's program and is tied to full-time enrollment. Students who drop below full-time enrollment during the legacy exception period should be aware that this may affect the duration of their ETC window and, consequently, their continued eligibility for pre-OBBBA loan limits and Graduate PLUS Loans. The Financial Aid Office will monitor enrollment status for legacy students and communicate any impacts on ETC or legacy status as they arise.

Students are responsible for notifying the Financial Aid Office of any schedule changes that affect their enrollment status. Note that changes to enrollment after a financial aid disbursement may result in additional tuition or fee obligations owed to the Law School.

## **6. Relationship to other policies**

Aid eligibility operates independently from other requirements, including but not limited to the following:

- Student visa enrollment requirements for international students.
- Approvals necessary to drop classes while in the required curriculum. The Associate Dean for Student Services must approve reduced course loads for students in the required J.D. curriculum.
- Title IV return calculations for students on an institutional leave, or who withdraw, are handled in accordance with other applicable policies, including the Student's Right to Cancel and Tuition Refund Policy.

## **B. LL.M. Students**

Southwestern's Master of Laws (LL.M.) programs are not currently eligible for federal Title IV financial aid. Students admitted into an LL.M. program may pursue private educational funding.

## **C. Policy Revisions**

Southwestern expressly reserves the right to change or modify any aspect of this policy at any time, with or without notice.