

THE NEW TIERED STANDARD PLAN

Federal student loans disbursed on or after July 1, 2026 will have access to a new Tiered Standard Plan. The term length is based on the total outstanding Direct Loan principal balance at the time you enter repayment.

If you have any loans disbursed on or after July 1, 2026, the only Standard Plan available will be the new Tiered Standard Plan – even for your older loans. Under the old Standard Plan, unconsolidated loans had a 10-year term, and Direct Consolidation Loans had a term based on their balance. The 10-year Standard Plan counts towards PSLF. At this time, Tiered Standard Plan payments do not count towards PSLF. Tiered Standard Plan payments do count towards forgiveness under the Repayment Assistance Plan (RAP), but not other income-driven repayment plans.

Below are two tables showing the term lengths under the new Tiered Standard Plan and the old Standard Plan for Direct Consolidation Loans.

New Tiered Standard Plan	
Total Principal Balance	Repayment Term Length
less than \$25,000	10 years
\$25,000 to \$49,999	15 years
\$50,000 to \$99,999	20 years
\$100,000 or more	25 years

Old Standard Plan for Consolidation Loans	
Consolidation Loan Principal Balance	Repayment Term Length
Less than \$7,500	10 years
\$7,500–9,999	12 years
\$10,000–19,999	15 years
\$20,000–39,999	20 years
\$40,000–59,999	25 years
\$60,000 or more	30 years