

By: González of El Paso

H.B. No. 4387

A BILL TO BE ENTITLED

AN ACT

relating to the establishment of the Texas Transfer Grant pilot program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 56, Education Code, is amended by adding Subchapter N, and a heading is added to that subchapter to read as follows:

SUBCHAPTER N. TEXAS TRANSFER GRANT PILOT PROGRAM

SECTION 2. Subchapter N, Chapter 56, Education Code, as added by this Act, is amended by adding Sections 56.321, 56.322, 56.323, 56.324, 56.325, and 56.326 to read as follows:

Sec. 56.321. DEFINITIONS. In this subchapter:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "Eligible institution" means a general academic teaching institution or a medical and dental unit that offers one or more baccalaureate degree programs. The term does not include a public state college.

(3) "General academic teaching institution," "institution of higher education," "medical and dental unit," and "public state college" have the meanings assigned by Section 61.003.

(4) "Transfer student" means a student who earned enough credit hours prior to enrolling in an eligible institution

1 to no longer be considered a first time in college entering
2 undergraduate student, as defined by coordinating board rule, when
3 admitted to the eligible institution disbursing the grant.

4 Sec. 56.322. PROGRAM NAME; PURPOSE. (a) The student
5 financial assistance pilot program authorized by this subchapter is
6 known as the Texas Transfer Grant pilot program.

7 (b) The purpose of this subchapter is to provide a grant of
8 money to enable eligible students to attend eligible institutions
9 of higher education in this state.

10 Sec. 56.323. ADMINISTRATION OF PROGRAM. (a) The
11 coordinating board shall administer the grant program and shall
12 adopt any rules necessary to implement the grant program for this
13 subchapter. The coordinating board shall consult with the student
14 financial aid officers of eligible institutions in developing the
15 rules.

16 (b) The total amount of grants awarded under this subchapter
17 may not exceed the amount available for the program from
18 appropriations, gifts, grants, or other funds.

19 (c) For each academic year during which eligible students
20 are enrolled at an eligible institution, the coordinating board
21 shall allocate to that institution the amount necessary to pay to
22 eligible students grants under this subchapter.

23 (d) In determining who should receive a grant under this
24 subchapter, the coordinating board and the eligible institutions
25 shall give priority to awarding grants to students who demonstrate
26 the greatest financial need.

27 (e) The board shall establish priorities for awarding grant

1 assistance as the board determines appropriate to further the
2 purpose of this subchapter in the event that in any year the amount
3 of money available for grant assistance under this subchapter is
4 insufficient to provide grant assistance to all eligible students
5 described by Section 56.324.

6 Sec. 56.324. ELIGIBILITY FOR GRANT. (a) To be eligible for
7 a grant under the grant program, a student must:

8 (1) be eligible for Texas resident tuition purposes as
9 determined by coordinating board rules;

10 (2) meet financial need requirements as defined by the
11 coordinating board;

12 (3) be enrolled as a transfer student in a
13 baccalaureate degree program at an eligible institution;

14 (4) be enrolled for at least three-fourths of a full
15 course load for a student in a baccalaureate program, as determined
16 by coordinating board rules;

17 (5) have applied for any available financial aid or
18 assistance;

19 (6) not be a recipient of a TEXAS Grant under
20 Subchapter M for the same semester or term;

21 (7) make satisfactory academic progress toward a
22 baccalaureate degree, as determined by coordinating board rules;
23 and

24 (8) comply with any additional nonacademic
25 requirement adopted by the coordinating board under this
26 subchapter.

27 (b) A person is not eligible to receive a grant under this

1 subchapter if the person has been granted a baccalaureate degree.

2 (c) The coordinating board shall by rule establish the
3 maximum semester credit hours, or semester credit hour equivalent,
4 for which an eligible student may receive a grant under this
5 subchapter.

6 (d) If a student fails to meet any of the requirements of
7 Subsection (a)(7) after the completion of any semester or term, the
8 student may not receive a grant under this subchapter during the
9 next semester or term in which the person enrolls. A student may
10 become eligible to receive a grant under this subchapter in a
11 subsequent semester or term if the student:

12 (1) completes a semester or term during which the
13 student is not eligible for a grant; and

14 (2) meets all the requirements of Subsection (a).

15 (e) The coordinating board shall adopt rules to allow a
16 student who is otherwise eligible to receive a grant under this
17 subchapter, in the event of a hardship or for other good cause
18 shown, to receive a grant under this subchapter:

19 (1) while enrolled in a number of semester credit
20 hours that is fewer than the number of semester credit hours
21 required under Subsection (a)(4);

22 (2) if the student fails to meet the satisfactory
23 academic progress requirements adopted by the coordinating board
24 under Subsection (a)(7); or

25 (3) while enrolled in a number of semester credit
26 hours that exceeds the number of semester credit hours outlined in
27 Subsection (c).

1 Sec. 56.325. GRANT USE. A student receiving a grant under
2 this subchapter may use the money to pay any usual and customary
3 cost of attendance at an eligible institution incurred by the
4 student. The institution may disburse all or part of the proceeds
5 of a grant under this subchapter to an eligible student only if the
6 tuition and required fees incurred by the student at the
7 institution have been paid.

8 Sec. 56.326. GRANT AMOUNT. (a) The maximum amount of a
9 grant under this subchapter for an eligible student enrolled
10 full-time at an eligible institution is the amount determined by
11 the coordinating board as the average statewide amount of tuition
12 and required fees that a resident student enrolled full-time in a
13 baccalaureate degree program would be charged for that semester or
14 term at eligible institutions.

15 (b) The coordinating board shall determine the average
16 statewide tuition and fee amounts for a semester or term of the next
17 academic year for purposes of this section by using the amounts of
18 tuition and required fees that will be charged by the eligible
19 institutions for that semester or term in that academic year. The
20 board may estimate the amount of the charges for a semester or term
21 in the next academic year by an institution if the relevant
22 information is not yet available to the board.

23 (c) The coordinating board may adopt rules that allow the
24 board to increase or decrease, in proportion to the number of
25 semester credit hours in which a student is enrolled, the amount of
26 a grant award under this section to a student who is enrolled in a
27 number of semester credit hours in excess of or below the number of

1 semester credit hours described in Section 56.324(a)(4).

2 (d) The amount of a grant under this subchapter may not be
3 reduced by any gift aid for which the person receiving the grant is
4 eligible, unless the total amount of a person's grant plus any gift
5 aid received exceeds the student's total financial need at an
6 eligible institution.

7 (e) A public institution of higher education may not:

8 (1) unless the institution complies with Subsection
9 (g), charge a person attending the institution who also receives a
10 grant under this subchapter an amount of tuition and required fees
11 in excess of the amount of the grant received by the person; or

12 (2) deny admission to or enrollment in the institution
13 based on a person's eligibility to receive a grant or a person's
14 receipt of a grant under this subchapter.

15 (f) A public institution of higher education may elect to
16 award a grant under this subchapter to any student in an amount that
17 is less than the applicable amount established under Subsection (a)
18 or (e).

19 (g) A public institution of higher education shall use other
20 available sources of financial aid, other than a loan, to cover any
21 difference in the amount of a grant awarded under this subchapter to
22 the student and the actual amount of tuition and required fees at
23 the institution if the difference results from:

24 (1) a reduction in the amount of a grant under
25 Subsection (f); or

26 (2) a deficiency in the amount of the grant as
27 established under Subsection (a) or (c), as applicable, to cover

1 the full amount of tuition and required fees charged to the student
2 by the institution.

3 (h) The legislature in an appropriations act shall account
4 for tuition and required fees received under this section in a way
5 that does not increase the general revenue appropriations to that
6 institution.

7 SECTION 3. (a) The coordinating board and eligible
8 institutions shall make initial awards under the grant program
9 established under Subchapter N, Chapter 56, Education Code, as
10 added by this Act, beginning with the 2022 spring semester.

11 (b) The coordinating board shall adopt the initial rules for
12 the grant program established under Subchapter N, Chapter 56,
13 Education Code, as added by this Act, as soon as practicable.

14 SECTION 4. The coordinating board is required to implement
15 a provision of this Act only if the legislature appropriates money
16 specifically for that purpose.

17 SECTION 5. This Act takes effect immediately if it receives
18 a vote of two-thirds of all the members elected to each house, as
19 provided by Section 39, Article III, Texas Constitution. If this
20 Act does not receive the vote necessary for immediate effect, this
21 Act takes effect September 1, 2021.