

By: Zaffirini

S.B. No. 43

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the establishment of the Texas Promise Grant Program  
3 for Two-Year Programs and the Texas Promise Grant Program for  
4 Four-Year Programs for certain students at public institutions of  
5 higher education.

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

7 SECTION 1. Chapter 56, Education Code, is amended by adding  
8 Subchapter U to read as follows:

9 SUBCHAPTER U. TEXAS PROMISE GRANT PROGRAM FOR TWO-YEAR PROGRAMS

10 Sec. 56.601. DEFINITIONS. In this subchapter:

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

13 (2) "Eligible institution" means:

14 (A) a public junior college;

15 (B) a public technical institute; or

16 (C) a public state college.

17 (3) "Program" means the Texas Promise Grant Program  
18 for Two-Year Programs established under this subchapter.

19 (4) "Public junior college," "public technical  
20 institute," and "public state college" have the meanings assigned  
21 by Section 61.003.

22 Sec. 56.602. PROGRAM PURPOSE. The purpose of the Texas  
23 Promise Grant Program for Two-Year Programs is to provide  
24 assistance in the payment of tuition and mandatory fees to enable

1 eligible students to complete associate degree and certificate  
2 programs at two-year institutions of higher education.

3 Sec. 56.603. ADMINISTRATION OF PROGRAM; AWARD OF GRANT.

4 (a) The coordinating board shall administer the program and adopt  
5 any rules necessary to implement the program or this subchapter.  
6 The coordinating board shall consult with the student financial aid  
7 officers of eligible institutions in developing the rules.

8 (b) The coordinating board shall award a grant to each  
9 eligible student under the program.

10 Sec. 56.604. INITIAL ELIGIBILITY FOR GRANT. (a) To be  
11 eligible initially for a grant under the program, a person must:

12 (1) be a resident of this state as determined by  
13 coordinating board rules;

14 (2) have graduated from high school or received a high  
15 school equivalency certificate within the last three years;

16 (3) be enrolled in an associate degree or certificate  
17 program at an eligible institution;

18 (4) be enrolled as an entering student for at least  
19 one-half of a full course load for an entering student in the  
20 associate degree or certificate program, as determined by the  
21 coordinating board;

22 (5) have applied for any available financial aid or  
23 assistance; and

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

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

1 program if the person has been convicted of a felony or an offense  
2 under Chapter 481, Health and Safety Code (Texas Controlled  
3 Substances Act), or under the law of another jurisdiction involving  
4 a controlled substance as defined by Chapter 481, Health and Safety  
5 Code, unless the person has met the other applicable eligibility  
6 requirements under the program and has:

7           (1) received a certificate of discharge by the Texas  
8 Department of Criminal Justice or a correctional facility or  
9 completed a period of probation ordered by a court, and at least two  
10 years have elapsed from the date of the receipt or completion; or

11           (2) been pardoned, had the record of the offense  
12 expunged from the person's record, or otherwise been released from  
13 the resulting ineligibility to receive a grant under the program.

14           (c) A person is not eligible to receive a grant under the  
15 program if the person has:

16                   (1) been granted:

17                           (A) a certificate for completion of a certificate  
18 program; or

19                           (B) an associate or baccalaureate degree; or

20                   (2) completed more than 90 semester credit hours or  
21 the equivalent at an institution of higher education, excluding  
22 semester credit hours or the equivalent earned for a dual credit  
23 course.

24           (d) A person may not receive a grant under the program for  
25 more than 75 semester credit hours or the equivalent.

26           (e) A person's eligibility for a grant under the program  
27 ends on the third anniversary of the initial award of a grant under

1 the program to the person and the person's enrollment in an eligible  
2 institution.

3 Sec. 56.605. CONTINUING ELIGIBILITY AND ACADEMIC  
4 PERFORMANCE REQUIREMENTS. (a) After initially qualifying for a  
5 grant under the program, a person may continue to receive a grant  
6 under the program during each semester or term in which the person  
7 is enrolled at an eligible institution only if the person:

8 (1) is enrolled in an associate degree or certificate  
9 program at an eligible institution;

10 (2) is enrolled for at least one-half of a full course  
11 load for a student in an associate degree or certificate program, as  
12 determined by the coordinating board;

13 (3) makes satisfactory academic progress toward an  
14 associate degree or certificate; and

15 (4) complies with any additional nonacademic or  
16 nonfinancial requirement adopted by the coordinating board.

17 (b) A person is not eligible to continue to receive a grant  
18 under this section if the person has been convicted of a felony or  
19 an offense under Chapter 481, Health and Safety Code (Texas  
20 Controlled Substances Act), or under the law of another  
21 jurisdiction involving a controlled substance as defined by Chapter  
22 481, Health and Safety Code, unless the person has met the other  
23 applicable eligibility requirements under this subchapter and has:

24 (1) received a certificate of discharge by the Texas  
25 Department of Criminal Justice or a correctional facility or  
26 completed a period of probation ordered by a court, and at least two  
27 years have elapsed from the date of the receipt or completion; or

1           (2) been pardoned, had the record of the offense  
2 expunged from the person's record, or otherwise been released from  
3 the resulting ineligibility to receive a grant under the program.

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

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

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

13           (d) For the purpose of this section, a person makes  
14 satisfactory academic progress toward an associate degree or  
15 certificate only if:

16           (1) in the person's first academic year, the person  
17 meets the satisfactory academic progress requirements of the  
18 institution at which the person is enrolled; and

19           (2) in the subsequent academic year, the person:

20           (A) completes at least 75 percent of the semester  
21 credit hours or the equivalent attempted in the person's most  
22 recent academic year; and

23           (B) has earned an overall grade point average of  
24 at least 2.5 on a four-point scale or the equivalent on coursework  
25 previously attempted at institutions of higher education.

26           (e) A person who is eligible to receive a grant under the  
27 program continues to remain eligible to receive the grant if the

1 person enrolls in or transfers to another eligible institution.

2 (f) The coordinating board shall adopt rules to allow a  
3 person who is otherwise eligible to receive a grant under the  
4 program, in the event of a hardship or for other good cause shown,  
5 including a showing of a severe illness or other debilitating  
6 condition that may affect the person's academic performance or a  
7 showing that the person is responsible for the care of a sick,  
8 injured, or needy person and that the person's provision of care may  
9 affect the person's academic performance, to receive a grant under  
10 the program:

11 (1) while enrolled in a number of semester credit  
12 hours that is less than the number of semester credit hours or the  
13 equivalent required under Subsection (a)(2); or

14 (2) if the person's grade point average or completion  
15 rate falls below the satisfactory academic progress requirements of  
16 Subsection (d).

17 Sec. 56.606. GRANT USE. A grant awarded under the program  
18 must be applied first to the payment of tuition and mandatory fees  
19 at an eligible institution.

20 Sec. 56.607. GRANT AMOUNT. (a) The amount of a grant  
21 awarded to an eligible student under the program for a semester or  
22 other academic term in which the student is enrolled at an eligible  
23 institution is an amount not to exceed the greater of:

24 (1) the difference between the amount of tuition and  
25 mandatory fees charged to the student by the institution for that  
26 semester or term and the amount of any other gift aid, including  
27 state or federal grants or scholarships, awarded to the student for

1 that semester or term; or

2 (2) \$1,000.

3 (b) The coordinating board may adopt rules that allow the  
4 coordinating board to decrease, in proportion to the number of  
5 semester credit hours or the equivalent in which a student is  
6 enrolled, the amount of a grant award under Subsection (a)(2) to a  
7 student who is enrolled in less than a full course load for a  
8 student in an associate degree or certificate program, as  
9 determined by the coordinating board.

10 (c) A grant may not be awarded under the program to an  
11 eligible student for a semester or other academic term until any  
12 other gift aid for which the student is eligible has been awarded to  
13 the student and the amount of tuition and mandatory fees owed by the  
14 student has been established for purposes of determining the  
15 appropriate amount of the student's grant under Subsection (a).

16 (d) The coordinating board shall issue to each eligible  
17 student a certificate indicating the amount of the grant awarded to  
18 the student.

19 Sec. 56.608. NOTIFICATION OF PROGRAM; RESPONSIBILITIES OF  
20 SCHOOL DISTRICTS. (a) The coordinating board, in consultation  
21 with all eligible institutions, shall prepare materials designed to  
22 inform prospective students, their parents, and high school  
23 counselors about the program and eligibility for a grant under the  
24 program. The coordinating board shall distribute to each eligible  
25 institution and to each school district a copy of the materials  
26 prepared under this section.

27 (b) Each school district shall notify its high school

1 students, those students' teachers and school counselors, and those  
2 students' parents or guardians of the program and the eligibility  
3 requirements of the program.

4 SECTION 2. Chapter 56, Education Code, is amended by adding  
5 Subchapter V to read as follows:

6 SUBCHAPTER V. TEXAS PROMISE GRANT PROGRAM FOR FOUR-YEAR PROGRAMS

7 Sec. 56.651. DEFINITIONS. In this subchapter:

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

10 (2) "Program" means the Texas Promise Grant Program  
11 for Four-Year Programs established under this subchapter.

12 Sec. 56.652. PROGRAM PURPOSE. The purpose of the Texas  
13 Promise Grant Program for Four-Year Programs is to provide  
14 assistance in the payment of tuition and mandatory fees to enable  
15 eligible students to complete baccalaureate degree programs at  
16 institutions of higher education.

17 Sec. 56.653. ADMINISTRATION OF PROGRAM; AWARD OF GRANT.

18 (a) The coordinating board shall administer the program and adopt  
19 any rules necessary to implement the program or this subchapter.  
20 The coordinating board shall consult with the student financial aid  
21 officers of institutions of higher education in developing the  
22 rules.

23 (b) The coordinating board shall award a grant to each  
24 eligible student under the program.

25 Sec. 56.654. INITIAL ELIGIBILITY FOR GRANT. (a) To be  
26 eligible initially for a grant under the program, a person must:

27 (1) be a resident of this state as determined by



1 coordinating board rules;

2 (2) have an annual household income of less than  
3 \$150,000;

4 (3) have graduated from high school or received a high  
5 school equivalency certificate within the last three years;

6 (4) be enrolled in a baccalaureate degree program at  
7 an institution of higher education;

8 (5) be enrolled as an entering student for at least  
9 one-half of a full course load for an entering student in the  
10 baccalaureate degree program, as determined by the coordinating  
11 board;

12 (6) have applied for any available financial aid or  
13 assistance; and

14 (7) comply with any additional nonacademic or  
15 nonfinancial requirement adopted by the coordinating board under  
16 this subchapter.

17 (b) A person is not eligible to receive a grant under the  
18 program if the person has been convicted of a felony or an offense  
19 under Chapter 481, Health and Safety Code (Texas Controlled  
20 Substances Act), or under the law of another jurisdiction involving  
21 a controlled substance as defined by Chapter 481, Health and Safety  
22 Code, unless the person has met the other applicable eligibility  
23 requirements under the program and has:

24 (1) received a certificate of discharge by the Texas  
25 Department of Criminal Justice or a correctional facility or  
26 completed a period of probation ordered by a court, and at least two  
27 years have elapsed from the date of the receipt or completion; or

1           (2) been pardoned, had the record of the offense  
2 expunged from the person's record, or otherwise been released from  
3 the resulting ineligibility to receive a grant under the program.

4           (c) A person is not eligible to receive a grant under the  
5 program if the person has:

6                 (1) been granted a baccalaureate degree; or

7                 (2) completed more than 135 semester credit hours or  
8 the equivalent at an institution of higher education, excluding  
9 semester credit hours or the equivalent earned for a dual credit  
10 course.

11           (d) A person may not receive a grant under the program for  
12 more than 150 semester credit hours or the equivalent.

13           (e) A person's eligibility for a grant under the program  
14 ends on:

15                 (1) the fifth anniversary of the initial award of a  
16 grant under the program to the person, if the person is enrolled in  
17 a baccalaureate degree program of four years or less; or

18                 (2) the sixth anniversary of the initial award of a  
19 grant under the program to the person, if the person is enrolled in  
20 a baccalaureate degree program of more than four years.

21           Sec. 56.655. CONTINUING ELIGIBILITY AND ACADEMIC  
22 PERFORMANCE REQUIREMENTS. (a) After initially qualifying for a  
23 grant under the program, a person may continue to receive a grant  
24 under the program during each semester or term in which the person  
25 is enrolled at an institution of higher education only if the  
26 person:

27                 (1) is enrolled in a baccalaureate degree program at

1 an institution of higher education;

2 (2) has an annual household income of less than  
3 \$150,000;

4 (3) is enrolled for at least one-half of a full course  
5 load for a student in the baccalaureate degree program, as  
6 determined by the coordinating board;

7 (4) makes satisfactory academic progress toward the  
8 baccalaureate degree; and

9 (5) complies with any additional nonacademic or  
10 nonfinancial requirement adopted by the coordinating board.

11 (b) A person is not eligible to continue to receive a grant  
12 under this section if the person has been convicted of a felony or  
13 an offense under Chapter 481, Health and Safety Code (Texas  
14 Controlled Substances Act), or under the law of another  
15 jurisdiction involving a controlled substance as defined by Chapter  
16 481, Health and Safety Code, unless the person has met the other  
17 applicable eligibility requirements under this subchapter and has:

18 (1) received a certificate of discharge by the Texas  
19 Department of Criminal Justice or a correctional facility or  
20 completed a period of probation ordered by a court, and at least two  
21 years have elapsed from the date of the receipt or completion; or

22 (2) been pardoned, had the record of the offense  
23 expunged from the person's record, or otherwise been released from  
24 the resulting ineligibility to receive a grant under the program.

25 (c) If a person fails to meet any of the requirements of  
26 Subsection (a) after the completion of any semester or term, the  
27 person may not receive a grant under the program during the next

1 semester or term in which the person enrolls. A person may become  
2 eligible to receive a grant under the program in a subsequent  
3 semester or term if the person:

4 (1) completes a semester or term during which the  
5 person is not eligible for a grant; and

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

7 (d) For the purpose of this section, a person makes  
8 satisfactory academic progress toward a baccalaureate degree only  
9 if:

10 (1) in the person's first academic year, the person  
11 meets the satisfactory academic progress requirements of the  
12 institution at which the person is enrolled; and

13 (2) in the subsequent academic year, the person:

14 (A) completes at least 75 percent of the semester  
15 credit hours or the equivalent attempted in the person's most  
16 recent academic year; and

17 (B) has earned an overall grade point average of  
18 at least 2.5 on a four-point scale or the equivalent on coursework  
19 previously attempted at institutions of higher education.

20 (e) A person who is eligible to receive a grant under the  
21 program continues to remain eligible to receive the grant if the  
22 person enrolls in or transfers to another institution of higher  
23 education.

24 (f) The coordinating board shall adopt rules to allow a  
25 person who is otherwise eligible to receive a grant under the  
26 program, in the event of a hardship or for other good cause shown,  
27 including a showing of a severe illness or other debilitating

1 condition that may affect the person's academic performance or a  
2 showing that the person is responsible for the care of a sick,  
3 injured, or needy person and that the person's provision of care may  
4 affect the person's academic performance, to receive a grant under  
5 the program:

6 (1) while enrolled in a number of semester credit  
7 hours that is less than the number of semester credit hours or the  
8 equivalent required under Subsection (a)(3); or

9 (2) if the person's grade point average or completion  
10 rate falls below the satisfactory academic progress requirements of  
11 Subsection (d).

12 Sec. 56.656. GRANT USE. A grant awarded under the program  
13 must be applied first to the payment of tuition and mandatory fees  
14 at an institution of higher education.

15 Sec. 56.657. GRANT AMOUNT. (a) The amount of a grant  
16 awarded to an eligible student under the program for a semester or  
17 other academic term in which the student is enrolled at an  
18 institution of higher education is:

19 (1) for a student whose annual household income is  
20 less than \$100,000, an amount not to exceed the greater of:

21 (A) the difference between the amount of tuition  
22 and mandatory fees charged to the student by the institution for  
23 that semester or term and the amount of any other gift aid,  
24 including state or federal grants or scholarships, awarded to the  
25 student for that semester or term; or

26 (B) \$1,000; or

27 (2) for a student whose annual household income is

1 \$100,000 or more, an amount not to exceed the product of:

2 (A) the difference between the amount of tuition  
3 and mandatory fees charged to the student by the institution for  
4 that semester or term and the amount of any other gift aid,  
5 including state or federal grants or scholarships, awarded to the  
6 student for that semester or term; and

7 (B) the quotient of:

8 (i) the difference between the maximum  
9 annual household income for which a student may be eligible for a  
10 grant under the program and the student's annual household income;  
11 and

12 (ii) 50,000.

13 (b) The coordinating board may adopt rules that allow the  
14 coordinating board to decrease, in proportion to the number of  
15 semester credit hours or the equivalent in which a student is  
16 enrolled, the amount of a grant award under Subsection (a)(1)(B) to  
17 a student who is enrolled in less than a full course load for a  
18 student in a baccalaureate degree program, as determined by the  
19 coordinating board.

20 (c) A grant may not be awarded under the program to an  
21 eligible student for a semester or other academic term until any  
22 other gift aid for which the student is eligible has been awarded to  
23 the student and the amount of tuition and mandatory fees owed by the  
24 student has been established for purposes of determining the  
25 appropriate amount of the student's grant under Subsection (a).

26 (d) The coordinating board shall issue to each eligible  
27 student a certificate indicating the amount of the grant awarded to

1 the student.

2 Sec. 56.658. NOTIFICATION OF PROGRAM; RESPONSIBILITIES OF  
3 SCHOOL DISTRICTS. (a) The coordinating board, in consultation  
4 with all institutions of higher education, shall prepare materials  
5 designed to inform prospective students, their parents, and high  
6 school counselors about the program and eligibility for a grant  
7 under the program. The coordinating board shall distribute to each  
8 institution of higher education and to each school district a copy  
9 of the materials prepared under this section.

10 (b) Each school district shall notify its high school  
11 students, those students' teachers and school counselors, and those  
12 students' parents or guardians of the program and the eligibility  
13 requirements of the program.

14 SECTION 3. (a) The Texas Higher Education Coordinating  
15 Board shall adopt rules to administer Subchapters U and V, Chapter  
16 56, Education Code, as added by this Act, as soon as practicable  
17 after the effective date of this Act. For those purposes, the  
18 coordinating board may adopt the initial rules in the manner  
19 provided by law for emergency rules.

20 (b) The Texas Higher Education Coordinating Board shall  
21 begin awarding grants under Subchapters U and V, Chapter 56,  
22 Education Code, as added by this Act, for the first academic year  
23 for which money is appropriated for those purposes, except that the  
24 coordinating board may not award grants under those subchapters for  
25 an academic year before the 2026-2027 academic year.

26 SECTION 4. This Act takes effect immediately if it receives  
27 a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this  
2 Act does not receive the vote necessary for immediate effect, this  
3 Act takes effect September 1, 2025.