

By: Lucio

S.B. No. 1200

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the creation of the TexasNextStep grant program to pay
3 tuition and required fees and textbook costs of certain students
4 enrolled in two-year public institutions of higher education in
5 this state.

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 Q to read as follows:

9 SUBCHAPTER Q. TEXASNEXTSTEP GRANT PROGRAM

10 Sec. 56.451. 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) "Institution of higher education," "public junior
18 college," "public technical institute," and "public state college"
19 have the meanings assigned by Section 61.003.

20 (4) "Textbook costs" means the costs of textbooks and
21 similar educational materials required for course work at an
22 eligible institution.

23 Sec. 56.452. PROGRAM NAME; PURPOSE. (a) The student
24 financial assistance program authorized by this subchapter is known

1 as the TexasNextStep grant program, and an individual grant awarded
2 under this subchapter is known as a TexasNextStep grant.

3 (b) The purpose of this subchapter is to provide a grant of
4 money to enable eligible students to attend two-year public
5 institutions of higher education in this state.

6 Sec. 56.453. ADMINISTRATION OF PROGRAM. (a) The
7 coordinating board shall administer the TexasNextStep grant
8 program and shall adopt any rules necessary to implement the
9 TexasNextStep grant program or this subchapter. The coordinating
10 board shall consult with the student financial aid officers of
11 eligible institutions in developing the rules.

12 (b) The coordinating board shall adopt rules to provide a
13 TexasNextStep grant to an eligible student enrolled in an eligible
14 institution in a manner consistent with the administration of
15 federal student financial aid programs.

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

19 Sec. 56.454. INITIAL ELIGIBILITY FOR GRANT. (a) To be
20 eligible initially for a grant under the TexasNextStep grant
21 program, a person must:

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

24 (2) not later than the 16th month after the month in
25 which the person graduated from high school, enroll or have
26 enrolled as an entering student for at least one-half of a full
27 course load for an entering student, as determined by the

1 coordinating board, in an associate degree or certificate program
2 at an eligible institution;

3 (3) have graduated from:

4 (A) a public high school in this state; or

5 (B) an accredited private high school or a home
6 school or other nontraditional educational program in this state,
7 if the person has performed successfully on a test instrument under
8 Section 51.306 or is exempt from the academic skills testing
9 requirements of that section;

10 (4) have applied for any available financial aid or
11 assistance;

12 (5) meet eligibility requirements necessary to
13 receive federal student financial aid, other than requirements
14 regarding financial need; and

15 (6) comply with any additional nonacademic
16 requirement adopted by the coordinating board under this
17 subchapter.

18 (b) A person is not eligible to receive a TexasNextStep
19 grant if the person:

20 (1) has been granted an associate or baccalaureate
21 degree; or

22 (2) is concurrently enrolled in an institution of
23 higher education other than an eligible institution, unless the
24 person is enrolled in the person's final semester or term at the
25 eligible institution before completing the person's associate
26 degree or certificate program and the person enrolls in one or more
27 courses that, if successfully completed, would allow the person to

1 complete the degree or certificate requirements.

2 (c) A person may not receive a TexasNextStep grant for more
3 than 90 semester credit hours or the equivalent, including any
4 developmental course work required by an eligible institution.

5 (d) Subject to Section 56.457(b)(2), a person may receive a
6 TexasNextStep grant regardless of whether the person is eligible
7 for a TEXAS grant or a TEXAS grant II.

8 (e) A person may not receive a TexasNextStep grant for a
9 semester or term that begins on or after the third anniversary of
10 the initial award of a TexasNextStep grant to the person.

11 Sec. 56.455. CONTINUING ELIGIBILITY AND ACADEMIC
12 PERFORMANCE REQUIREMENTS. (a) After initially qualifying for a
13 TexasNextStep grant, a person may continue to receive a
14 TexasNextStep grant during each semester or term in which the
15 person is enrolled at an eligible institution only if the person:

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

18 (2) except as provided by Subsection (b), is enrolled
19 for at least one-half of a full course load for a student in an
20 associate degree or certificate program, as determined by the
21 coordinating board;

22 (3) makes satisfactory academic progress toward an
23 associate degree or certificate;

24 (4) meets eligibility requirements necessary to
25 receive federal student financial aid, other than requirements
26 regarding financial need; and

27 (5) complies with any additional nonacademic

1 requirement adopted by the coordinating board.

2 (b) A person is exempt from the one-half course load
3 requirement of Subsection (a)(2) if the TexasNextStep grant is
4 awarded for the person's final semester or term before the person
5 completes the person's degree or certificate program and the person
6 enrolls in one or more courses that, if successfully completed,
7 would allow the person to complete the degree or certificate
8 requirements. A person who qualifies for an exemption under this
9 subsection is not eligible for a TexasNextStep grant in a
10 subsequent semester or term, regardless of whether the person
11 graduates as planned.

12 (c) If a person fails to meet any of the requirements of
13 Subsection (a) after the completion of any semester or term, the
14 person may not receive a TexasNextStep grant during the next
15 semester or term in which the person enrolls. A person may become
16 eligible to receive a TexasNextStep grant in a subsequent semester
17 or term if the person:

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

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

21 (d) For purposes of this section, a person makes
22 satisfactory academic progress toward an associate degree or
23 certificate only if the person meets the standards for academic
24 progress as determined by the eligible institution.

25 (e) A person's eligibility to receive a TexasNextStep grant
26 is not affected by the person's enrollment in or transfer to another
27 eligible institution.

1 Sec. 56.456. GRANT USE. A person receiving a TexasNextStep
2 grant may use the money to pay any usual and customary cost of
3 attendance at an eligible institution incurred by the person. The
4 institution may disburse all or part of the proceeds of a
5 TexasNextStep grant to an eligible person only if the tuition and
6 required fees and textbook costs incurred by the person at the
7 institution have been paid.

8 Sec. 56.457. GRANT AMOUNT. (a) The amount of a
9 TexasNextStep grant for a student enrolled full-time at an eligible
10 institution is the amount determined by the coordinating board as
11 the average amount of tuition and required fees and textbook costs
12 that a resident student enrolled full-time in an associate degree
13 or certificate program would be charged for that semester or term at
14 the institution, except that if the eligible institution is a
15 public junior college, the average amount of those charges shall be
16 computed without including the portion of tuition and required fees
17 charged only to a student who resides outside the junior college
18 district.

19 (b) The coordinating board shall adopt rules that:

20 (1) allow the coordinating board to increase or
21 decrease, in proportion to the number of semester credit hours in
22 which a student is enrolled, the amount of a TexasNextStep grant
23 award under this section to a student who is enrolled in a number of
24 semester credit hours in excess of or below the number of semester
25 credit hours described in Section 56.454(a)(2) or 56.455(a)(2); and

26 (2) require the coordinating board to reduce the
27 amount of a TexasNextStep grant by the amount of any state or

1 federal gift aid for which the person receiving the grant is
2 eligible if that aid could be applied, according to the terms of the
3 aid, toward the person's tuition and required fees and textbook
4 costs at the eligible institution.

5 (c) Not later than January 31 of each year, the coordinating
6 board shall publish the amounts of each grant established by the
7 board with respect to an eligible institution for the academic year
8 beginning the next fall semester.

9 (d) An eligible institution may not:

10 (1) charge a person attending the institution who also
11 receives a TexasNextStep grant an amount of tuition and required
12 fees in excess of the amount of the TexasNextStep grant received by
13 the person for tuition and required fees, except that if the
14 eligible institution is a public junior college, the institution
15 may charge an additional amount to the person based on the person's
16 residence outside the junior college district; or

17 (2) deny admission to or enrollment in the institution
18 based on a person's eligibility to receive a TexasNextStep grant or
19 a person's receipt of a TexasNextStep grant.

20 SECTION 2. (a) Section 1 of this Act applies beginning with
21 the 2003-2004 academic year, except that the Texas Higher Education
22 Coordinating Board may not award a TexasNextStep grant under
23 Subchapter Q, Chapter 56, Education Code, as added by this Act, to
24 an entering student who enrolls in an eligible institution before
25 the 2004-2005 academic year.

26 (b) The Texas Higher Education Coordinating Board shall
27 adopt rules for the administration of Subchapter Q, Chapter 56,

1 Education Code, as added by this Act, as soon as practicable after
2 this Act takes effect. For that purpose, the coordinating board may
3 adopt the initial rules in the manner provided by law for emergency
4 rules.

5 SECTION 3. This Act takes effect immediately if it receives
6 a vote of two-thirds of all the members elected to each house, as
7 provided by Section 39, Article III, Texas Constitution. If this
8 Act does not receive the vote necessary for immediate effect, this
9 Act takes effect September 1, 2003.