

1-1 By: Lucio S.B. No. 1200
1-2 (In the Senate - Filed March 12, 2003; March 19, 2003, read
1-3 first time and referred to Subcommittee on Higher Education;
1-4 May 13, 2003, reported to Committee on Education; May 14, 2003,
1-5 reported favorably, as amended, by the following vote: Yeas 6,
1-6 Nays 0; May 14, 2003, sent to printer.)

1-7 COMMITTEE AMENDMENT NO. 1 By: Averitt

1-8 Amend S.B. No. 1200 on page 3, line 67, by striking the years
1-9 "2003-2004" and inserting "2004-2005" and on page 4, line 2, by
1-10 striking the years "2004-2005" and inserting "2005-2006".

1-11 COMMITTEE AMENDMENT NO. 2 By: Averitt

1-12 Amend S.B. No. 1200 on page 2, lines 14, 15, and 16, by striking the
1-13 following language: "if the person has performed successfully on a
1-14 test instrument under Section 51.306 or is exempt from the academic
1-15 skills testing requirements of that section".

1-16 A BILL TO BE ENTITLED
1-17 AN ACT

1-18 relating to the creation of the TexasNextStep grant program to pay
1-19 tuition and required fees and textbook costs of certain students
1-20 enrolled in two-year public institutions of higher education in
1-21 this state.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-23 SECTION 1. Chapter 56, Education Code, is amended by adding
1-24 Subchapter Q to read as follows:

1-25 SUBCHAPTER Q. TEXASNEXTSTEP GRANT PROGRAM

1-26 Sec. 56.451. DEFINITIONS. In this subchapter:

1-27 (1) "Coordinating board" means the Texas Higher
1-28 Education Coordinating Board.

1-29 (2) "Eligible institution" means:

1-30 (A) a public junior college;

1-31 (B) a public technical institute; or

1-32 (C) a public state college.

1-33 (3) "Institution of higher education," "public junior
1-34 college," "public technical institute," and "public state college"
1-35 have the meanings assigned by Section 61.003.

1-36 (4) "Textbook costs" means the costs of textbooks and
1-37 similar educational materials required for course work at an
1-38 eligible institution.

1-39 Sec. 56.452. PROGRAM NAME; PURPOSE. (a) The student
1-40 financial assistance program authorized by this subchapter is known
1-41 as the TexasNextStep grant program, and an individual grant awarded
1-42 under this subchapter is known as a TexasNextStep grant.

1-43 (b) The purpose of this subchapter is to provide a grant of
1-44 money to enable eligible students to attend two-year public
1-45 institutions of higher education in this state.

1-46 Sec. 56.453. ADMINISTRATION OF PROGRAM. (a) The
1-47 coordinating board shall administer the TexasNextStep grant
1-48 program and shall adopt any rules necessary to implement the
1-49 TexasNextStep grant program or this subchapter. The coordinating
1-50 board shall consult with the student financial aid officers of
1-51 eligible institutions in developing the rules.

1-52 (b) The coordinating board shall adopt rules to provide a
1-53 TexasNextStep grant to an eligible student enrolled in an eligible
1-54 institution in a manner consistent with the administration of
1-55 federal student financial aid programs.

1-56 (c) The total amount of grants awarded under the
1-57 TexasNextStep grant program may not exceed the amount available for
1-58 the program from appropriations, gifts, grants, or other funds.

1-59 Sec. 56.454. INITIAL ELIGIBILITY FOR GRANT. (a) To be
1-60 eligible initially for a grant under the TexasNextStep grant

2-1 program, a person must:
2-2 (1) be a resident of this state as determined by
2-3 coordinating board rules;
2-4 (2) not later than the 16th month after the month in
2-5 which the person graduated from high school, enroll or have
2-6 enrolled as an entering student for at least one-half of a full
2-7 course load for an entering student, as determined by the
2-8 coordinating board, in an associate degree or certificate program
2-9 at an eligible institution;
2-10 (3) have graduated from:
2-11 (A) a public high school in this state; or
2-12 (B) an accredited private high school or a home
2-13 school or other nontraditional educational program in this state,
2-14 if the person has performed successfully on a test instrument under
2-15 Section 51.306 or is exempt from the academic skills testing
2-16 requirements of that section;
2-17 (4) have applied for any available financial aid or
2-18 assistance;
2-19 (5) meet eligibility requirements necessary to
2-20 receive federal student financial aid, other than requirements
2-21 regarding financial need; and
2-22 (6) comply with any additional nonacademic
2-23 requirement adopted by the coordinating board under this
2-24 subchapter.
2-25 (b) A person is not eligible to receive a TexasNextStep
2-26 grant if the person:
2-27 (1) has been granted an associate or baccalaureate
2-28 degree; or
2-29 (2) is concurrently enrolled in an institution of
2-30 higher education other than an eligible institution, unless the
2-31 person is enrolled in the person's final semester or term at the
2-32 eligible institution before completing the person's associate
2-33 degree or certificate program and the person enrolls in one or more
2-34 courses that, if successfully completed, would allow the person to
2-35 complete the degree or certificate requirements.
2-36 (c) A person may not receive a TexasNextStep grant for more
2-37 than 90 semester credit hours or the equivalent, including any
2-38 developmental course work required by an eligible institution.
2-39 (d) Subject to Section 56.457(b)(2), a person may receive a
2-40 TexasNextStep grant regardless of whether the person is eligible
2-41 for a TEXAS grant or a TEXAS grant II.
2-42 (e) A person may not receive a TexasNextStep grant for a
2-43 semester or term that begins on or after the third anniversary of
2-44 the initial award of a TexasNextStep grant to the person.
2-45 Sec. 56.455. CONTINUING ELIGIBILITY AND ACADEMIC
2-46 PERFORMANCE REQUIREMENTS. (a) After initially qualifying for a
2-47 TexasNextStep grant, a person may continue to receive a
2-48 TexasNextStep grant during each semester or term in which the
2-49 person is enrolled at an eligible institution only if the person:
2-50 (1) is enrolled in an associate degree or certificate
2-51 program at an eligible institution;
2-52 (2) except as provided by Subsection (b), is enrolled
2-53 for at least one-half of a full course load for a student in an
2-54 associate degree or certificate program, as determined by the
2-55 coordinating board;
2-56 (3) makes satisfactory academic progress toward an
2-57 associate degree or certificate;
2-58 (4) meets eligibility requirements necessary to
2-59 receive federal student financial aid, other than requirements
2-60 regarding financial need; and
2-61 (5) complies with any additional nonacademic
2-62 requirement adopted by the coordinating board.
2-63 (b) A person is exempt from the one-half course load
2-64 requirement of Subsection (a)(2) if the TexasNextStep grant is
2-65 awarded for the person's final semester or term before the person
2-66 completes the person's degree or certificate program and the person
2-67 enrolls in one or more courses that, if successfully completed,
2-68 would allow the person to complete the degree or certificate
2-69 requirements. A person who qualifies for an exemption under this

3-1 subsection is not eligible for a TexasNextStep grant in a
 3-2 subsequent semester or term, regardless of whether the person
 3-3 graduates as planned.

3-4 (c) If a person fails to meet any of the requirements of
 3-5 Subsection (a) after the completion of any semester or term, the
 3-6 person may not receive a TexasNextStep grant during the next
 3-7 semester or term in which the person enrolls. A person may become
 3-8 eligible to receive a TexasNextStep grant in a subsequent semester
 3-9 or term if the person:

3-10 (1) completes a semester or term during which the
 3-11 person is not eligible for the grant; and

3-12 (2) meets all the requirements of Subsection (a).

3-13 (d) For purposes of this section, a person makes
 3-14 satisfactory academic progress toward an associate degree or
 3-15 certificate only if the person meets the standards for academic
 3-16 progress as determined by the eligible institution.

3-17 (e) A person's eligibility to receive a TexasNextStep grant
 3-18 is not affected by the person's enrollment in or transfer to another
 3-19 eligible institution.

3-20 Sec. 56.456. GRANT USE. A person receiving a TexasNextStep
 3-21 grant may use the money to pay any usual and customary cost of
 3-22 attendance at an eligible institution incurred by the person. The
 3-23 institution may disburse all or part of the proceeds of a
 3-24 TexasNextStep grant to an eligible person only if the tuition and
 3-25 required fees and textbook costs incurred by the person at the
 3-26 institution have been paid.

3-27 Sec. 56.457. GRANT AMOUNT. (a) The amount of a
 3-28 TexasNextStep grant for a student enrolled full-time at an eligible
 3-29 institution is the amount determined by the coordinating board as
 3-30 the average amount of tuition and required fees and textbook costs
 3-31 that a resident student enrolled full-time in an associate degree
 3-32 or certificate program would be charged for that semester or term at
 3-33 the institution, except that if the eligible institution is a
 3-34 public junior college, the average amount of those charges shall be
 3-35 computed without including the portion of tuition and required fees
 3-36 charged only to a student who resides outside the junior college
 3-37 district.

3-38 (b) The coordinating board shall adopt rules that:

3-39 (1) allow the coordinating board to increase or
 3-40 decrease, in proportion to the number of semester credit hours in
 3-41 which a student is enrolled, the amount of a TexasNextStep grant
 3-42 award under this section to a student who is enrolled in a number of
 3-43 semester credit hours in excess of or below the number of semester
 3-44 credit hours described in Section 56.454(a)(2) or 56.455(a)(2); and

3-45 (2) require the coordinating board to reduce the
 3-46 amount of a TexasNextStep grant by the amount of any state or
 3-47 federal gift aid for which the person receiving the grant is
 3-48 eligible if that aid could be applied, according to the terms of the
 3-49 aid, toward the person's tuition and required fees and textbook
 3-50 costs at the eligible institution.

3-51 (c) Not later than January 31 of each year, the coordinating
 3-52 board shall publish the amounts of each grant established by the
 3-53 board with respect to an eligible institution for the academic year
 3-54 beginning the next fall semester.

3-55 (d) An eligible institution may not:

3-56 (1) charge a person attending the institution who also
 3-57 receives a TexasNextStep grant an amount of tuition and required
 3-58 fees in excess of the amount of the TexasNextStep grant received by
 3-59 the person for tuition and required fees, except that if the
 3-60 eligible institution is a public junior college, the institution
 3-61 may charge an additional amount to the person based on the person's
 3-62 residence outside the junior college district; or

3-63 (2) deny admission to or enrollment in the institution
 3-64 based on a person's eligibility to receive a TexasNextStep grant or
 3-65 a person's receipt of a TexasNextStep grant.

3-66 SECTION 2. (a) Section 1 of this Act applies beginning
 3-67 with the 2003-2004 academic year, except that the Texas Higher
 3-68 Education Coordinating Board may not award a TexasNextStep grant
 3-69 under Subchapter Q, Chapter 56, Education Code, as added by this

4-1 Act, to an entering student who enrolls in an eligible institution
4-2 before the 2004-2005 academic year.

4-3 (b) The Texas Higher Education Coordinating Board shall
4-4 adopt rules for the administration of Subchapter Q, Chapter 56,
4-5 Education Code, as added by this Act, as soon as practicable after
4-6 this Act takes effect. For that purpose, the coordinating board may
4-7 adopt the initial rules in the manner provided by law for emergency
4-8 rules.

4-9 SECTION 3. This Act takes effect immediately if it receives
4-10 a vote of two-thirds of all the members elected to each house, as
4-11 provided by Section 39, Article III, Texas Constitution. If this
4-12 Act does not receive the vote necessary for immediate effect, this
4-13 Act takes effect September 1, 2003.

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