

By: Morrison

H.B. No. 3000

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the TEXAS grant and Texas B-On-time loan financial  
3 assistance programs for students in higher education.

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

5 SECTION 1. Section 56.301(3), Education Code, is amended to  
6 read as follows:

7 (3) "Private or independent institution of higher  
8 education," "public junior college," "public state college," and  
9 "public technical institute" have the meanings assigned by Section  
10 61.003.

11 SECTION 2. Section 56.304, Education Code, is amended by  
12 amending Subsections (a), (c), (d), and (e) and adding Subsections  
13 (d-1) and (e-1) to read as follows:

14 (a) To be eligible initially for a TEXAS grant, a person  
15 must:

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

18 (2) meet either of the following academic  
19 requirements:

20 (A) be a graduate of a public or accredited  
21 private high school in this state who graduated not earlier than the  
22 1998-1999 school year and who completed the recommended or advanced  
23 high school curriculum established under Section 28.002 or 28.025  
24 or its equivalent; [~~or~~]

1 (B) if the person first enrolled in an eligible  
2 institution before the 2005 fall semester, have received an  
3 associate degree from an eligible institution not earlier than May  
4 1, 2001; or

5 (C) if the person first enrolled in an eligible  
6 institution during or after the 2005 fall semester, have received  
7 an associate degree from an eligible institution or completed the  
8 core curriculum at a public junior college, public state college,  
9 or public technical institute not earlier than May 1, 2005;

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

12 (4) be enrolled in an undergraduate degree or  
13 certificate program at an eligible institution;

14 (5) be enrolled as:

15 (A) an entering undergraduate student for at  
16 least three-fourths of a full course load for an entering  
17 undergraduate student, as determined by the coordinating board, not  
18 later than the 16th month after the date of the person's graduation  
19 from high school; or

20 (B) an entering student for at least  
21 three-fourths of a full course load for an undergraduate student as  
22 determined by the coordinating board, not later than:

23 (i) the 12th month after the month the  
24 person receives an associate degree from an eligible institution,  
25 if the person first enrolled in an eligible institution before the  
26 2005 fall semester; or

27 (ii) the 12th month after the month the

1 person receives an associate degree from an eligible institution or  
2 completes the core curriculum at a public junior college, public  
3 state college, or public technical institute, with an overall grade  
4 point average of at least 2.5 on a four-point scale or the  
5 equivalent, if the person enrolls in an eligible institution not  
6 earlier than the 2005 fall semester;

7 (6) have applied for any available financial aid or  
8 assistance; and

9 (7) comply with any additional nonacademic  
10 requirement adopted by the coordinating board under this  
11 subchapter.

12 (c) A person is not eligible to receive a TEXAS grant if the  
13 person:

14 (1) has been granted a baccalaureate degree; or

15 (2) is receiving a Texas B-On-time loan under  
16 Subchapter Q.

17 (d) A person who first enrolled in an eligible institution  
18 before the 2005 fall semester may not receive a TEXAS grant for more  
19 than 150 semester credit hours or the equivalent.

20 (d-1) Except as provided by Subsection (e-1), a person who  
21 first enrolled in an eligible institution during or after the 2005  
22 fall semester may not receive a TEXAS grant for more than:

23 (1) one calendar year if the person is enrolled in a  
24 baccalaureate degree program at an eligible institution that the  
25 student entered not later than the 12th month after the month the  
26 person received an associate degree from an eligible institution or  
27 completed the core curriculum at a public junior college, public

1 state college, or public technical institute, with an overall grade  
2 point average of at least 2.5 on a four-point scale or the  
3 equivalent, and the person has not previously received a TEXAS  
4 grant; or

5 (2) any two calendar years if Subdivision (1) does not  
6 apply to the person.

7 (e) This subsection applies only to a person who first  
8 enrolled in an eligible institution before the 2005 fall semester.

9 A person's eligibility for a TEXAS grant ends on the sixth  
10 anniversary of the initial award of a TEXAS grant to the person and  
11 the person's enrollment in an eligible institution, unless the  
12 person is provided additional time during which the person may  
13 receive a TEXAS grant under this subsection. The coordinating  
14 board shall adopt rules to provide a person who is otherwise  
15 eligible to receive a TEXAS grant additional time during which the  
16 person may receive a TEXAS grant in the event of a hardship or other  
17 good cause shown that prevents the person from continuing the  
18 person's enrollment during the period the person would otherwise  
19 have been eligible to receive a TEXAS grant, including a showing of  
20 a severe illness or other debilitating condition or that the person  
21 is or was responsible for the care of a sick, injured, or needy  
22 person.

23 (e-1) This subsection applies only to a person who first  
24 enrolled in an eligible institution during or after the 2005 fall  
25 semester. The coordinating board shall adopt rules to provide a  
26 person who is otherwise eligible to receive a TEXAS grant  
27 additional time during which the person may receive a TEXAS grant in

1 the event of a hardship or other good cause shown, including a  
2 showing of a severe illness or other debilitating condition or that  
3 the person is or was responsible for the care of a sick, injured, or  
4 needy person, that prevents the person from continuing the person's  
5 enrollment during the period the person would otherwise have been  
6 eligible under Subsection (d-1) or Section 56.305(d-1) to receive a  
7 TEXAS grant.

8 SECTION 3. Section 56.305, Education Code, is amended by  
9 amending Subsections (d), (e), and (g) and adding Subsections (d-1)  
10 and (e-1) to read as follows:

11 (d) This subsection applies only to a person who first  
12 enrolled in an eligible institution before the 2005 fall semester.  
13 A person who qualifies for and subsequently receives a TEXAS grant,  
14 who receives an undergraduate certificate or associate degree, and  
15 who, not later than the 12th month after the month the person  
16 receives the certificate or degree, enrolls in a program leading to  
17 a higher-level undergraduate degree continues to be eligible for a  
18 TEXAS grant to the extent other eligibility requirements are met.

19 (d-1) This subsection applies only to a person who first  
20 enrolled in an eligible institution during or after the 2005 fall  
21 semester. A person who qualifies for and subsequently receives a  
22 TEXAS grant to attend a public junior college, public state  
23 college, or public technical institute, who receives an associate  
24 degree from the institution or completes the institution's core  
25 curriculum, and who, not later than the 12th month after the earlier  
26 of the month the person receives the degree or the month the person  
27 completes the core curriculum, as applicable, first enrolled in a

1 baccalaureate degree program in an eligible institution, continues  
2 to be eligible for a TEXAS grant only until the first anniversary of  
3 the person's enrollment in the baccalaureate degree program to the  
4 extent other eligibility requirements are met.

5 (e) This subsection applies only to a person who first  
6 enrolled in an eligible institution before the 2005 fall semester.

7 For the purpose of this section, a person makes satisfactory  
8 academic progress toward an undergraduate degree or certificate  
9 only 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 a subsequent academic year, the person:

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

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

20 (e-1) This subsection applies only to a person who first  
21 enrolled in an eligible institution during or after the 2005 fall  
22 semester. For the purpose of this section, a person makes  
23 satisfactory academic progress toward an undergraduate degree or  
24 certificate only if the person:

25 (1) meets the satisfactory academic progress  
26 requirements of the institution at which the person is enrolled;

27 (2) completed at least 24 semester credit hours or the

1 equivalent in the student's most recent academic year and at least  
2 75 percent of the semester credit hours attempted in that academic  
3 year; and

4 (3) has earned an overall grade point average of at  
5 least 2.5 on a four-point scale or the equivalent on coursework  
6 previously attempted at institutions of higher education.

7 (g) The coordinating board shall adopt rules to allow a  
8 person who is otherwise eligible to receive a TEXAS grant, in the  
9 event of a hardship or for other good cause shown, including a  
10 showing of a severe illness or other debilitating condition that  
11 may affect the person's academic performance or that the person is  
12 responsible for the care of a sick, injured, or needy person and  
13 that the person's provision of care may affect the person's academic  
14 performance, to receive a TEXAS grant:

15 (1) while enrolled in a number of semester credit  
16 hours that is less than the number of semester credit hours required  
17 under Subsection (a)(3); or

18 (2) if the student's grade point average or completion  
19 rate falls below the satisfactory academic progress requirements of  
20 Subsection (e) or (e-1).

21 SECTION 4. Section 56.451(3), Education Code, is amended to  
22 read as follows:

23 (3) "General academic teaching institution," "private  
24 or independent institution of higher education," "public junior  
25 college," "public state college," and "public technical institute"  
26 have the meanings assigned by Section 61.003.

27 SECTION 5. Section 56.453, Education Code, is amended by

1 adding Subsection (d) to read as follows:

2 (d) In awarding a Texas B-On-time loan, the coordinating  
3 board shall give preference to a person who previously was awarded a  
4 TEXAS grant under Subchapter M.

5 SECTION 6. Section 56.454, Education Code, is amended to  
6 read as follows:

7 Sec. 56.454. PERSONS NOT ELIGIBLE. (a) A person is not  
8 eligible to receive a Texas B-On-time loan during an academic term  
9 if the person:

10 (1) has been granted a baccalaureate degree; or  
11 (2) is receiving a TEXAS grant under Subchapter M  
12 during that academic term.

13 (b) A person who first enrolled in an eligible institution  
14 before the 2005 fall semester may not receive a Texas B-On-time loan  
15 for more than 150 semester credit hours or the equivalent.

16 (c) A person who first enrolled in an eligible institution  
17 during or after the 2005 fall semester may not receive a Texas  
18 B-On-time loan for more than two years, except that a person  
19 enrolled in a degree program that requires more than 128 semester  
20 credit hours may receive a Texas B-On-time loan for not more than  
21 three years.

22 SECTION 7. Section 56.455, Education Code, is amended to  
23 read as follows:

24 Sec. 56.455. INITIAL ELIGIBILITY FOR LOAN. To be eligible  
25 initially for a Texas B-On-time loan, a person must:

26 (1) be a resident of this state for purposes of  
27 Subchapter B, Chapter 54;



1           (2) if the person first enrolled in an eligible  
2 institution:

3                   (A) before the 2005 fall semester, meet one of  
4 the following academic requirements:

5                           (i) [~~A~~] be a graduate of a public or  
6 accredited private high school in this state who graduated not  
7 earlier than the 2002-2003 school year under the recommended or  
8 advanced high school program established under Section 28.025(a);  
9 or

10                           (ii) [~~B~~] have received an associate  
11 degree from an eligible institution not earlier than May 1, 2005; or

12                           (B) during or after the 2005 fall semester, meet  
13 one of the following academic requirements:

14                           (i) in the preceding two academic years,  
15 have completed at least 48 semester credit hours or the equivalent  
16 at one or more general academic teaching institutions and earned a  
17 cumulative grade point average of at least 2.5 on a four-point scale  
18 or the equivalent on that coursework; or

19                           (ii) in the preceding 12-month period, have  
20 received an associate degree from an eligible institution or  
21 completed the core curriculum at a public junior college, public  
22 state college, or public technical institute with a cumulative  
23 grade point average of at least 2.5 on a four-point scale or the  
24 equivalent on coursework completed for that degree or core  
25 curriculum, as applicable;

26           (3) be enrolled for a full course load for an  
27 undergraduate student, as determined by the coordinating board, in

1 an undergraduate degree or certificate program at an eligible  
2 institution;

3 (4) be eligible for federal financial aid, except that  
4 a person is not required to meet any financial need requirement  
5 applicable to a particular federal financial aid program; and

6 (5) comply with any additional nonacademic  
7 requirement adopted by the coordinating board under this  
8 subchapter.

9 SECTION 8. Sections 56.456(a) and (d), Education Code, are  
10 amended to read as follows:

11 (a) After initially qualifying for a Texas B-On-time loan, a  
12 person may continue to receive a Texas B-On-time loan for a ~~each~~  
13 semester or term in which the person is enrolled at an eligible  
14 institution only if the person:

15 (1) is enrolled for a full course load for an  
16 undergraduate student, as determined by the coordinating board, in  
17 an undergraduate degree or certificate program at an eligible  
18 institution;

19 (2) is eligible for federal financial aid, except that  
20 a person is not required to meet any financial need requirement  
21 applicable to a particular federal financial aid program;

22 (3) makes satisfactory academic progress toward a  
23 degree or certificate as determined by the institution at which the  
24 person is enrolled, if the person is enrolled in the person's first  
25 academic year at the institution and if the person first enrolled in  
26 an eligible institution before the 2005 fall semester;

27 (4) meets either of the following requirements:

1           (A) completed at least 75 percent of the semester  
2 credit hours or the equivalent attempted by the person in the most  
3 recent academic year and has a cumulative grade point average of at  
4 least 2.5 on a four-point scale or the equivalent on all coursework  
5 previously attempted at institutions of higher education, if the  
6 person is enrolled in any academic year after the person's first  
7 academic year and the person first enrolled in an eligible  
8 institution before the 2005 fall semester; or

9           (B) first enrolled in an eligible institution  
10 during or after the 2005 fall semester and:

11                   (i) completed at least 24 semester credit  
12 hours or the equivalent in the person's most recent academic year  
13 and at least 75 percent of the semester credit hours or the  
14 equivalent attempted in that academic year with a cumulative grade  
15 point average of at least 2.75 on a four-point scale or the  
16 equivalent on all coursework previously attempted at institutions  
17 of higher education, if the person is enrolled in the second  
18 calendar year in which the person may qualify for a Texas B-On-time  
19 loan; or

20                   (ii) completed at least 24 semester credit  
21 hours or the equivalent in the person's most recent academic year  
22 and at least 75 percent of the semester credit hours or the  
23 equivalent attempted in that academic year with a cumulative grade  
24 point average of at least 3.0 on a four-point scale or the  
25 equivalent on all coursework previously attempted at institutions  
26 of higher education, if the person is enrolled in the third calendar  
27 year in which the person may qualify for a Texas B-On-time loan; and

1 (5) complies with any additional nonacademic  
2 requirement adopted by the coordinating board.

3 (d) This subsection applies only to a person who first  
4 enrolled in an eligible institution before the 2005 fall semester.

5 A person who qualifies for and subsequently receives a Texas  
6 B-On-time loan, who receives an undergraduate certificate or  
7 associate degree, and who, not later than the 12th month after the  
8 month the person receives the certificate or degree, enrolls in a  
9 program leading to a higher-level undergraduate degree continues to  
10 be eligible for a Texas B-On-time loan to the extent other  
11 eligibility requirements are met.

12 SECTION 9. Section 56.461, Education Code, is amended to  
13 read as follows:

14 Sec. 56.461. LOAN PAYMENT DEFERRED. The repayment of a  
15 Texas B-On-time loan received by a student under this subchapter is  
16 deferred as long as the student remains continuously enrolled:

17 (1) in an undergraduate degree or certificate program  
18 at an eligible institution, if the student first enrolled in an  
19 eligible institution before the 2005 fall semester; or

20 (2) in a baccalaureate degree program at an eligible  
21 institution, if the student first enrolled in an eligible  
22 institution during or after the 2005 fall semester.

23 SECTION 10. Section 56.462, Education Code, is amended to  
24 read as follows:

25 Sec. 56.462. LOAN FORGIVENESS. (a) This subsection  
26 applies only to a student who first enrolled in an eligible  
27 institution before the 2005 fall semester. A student who receives a

1 Texas B-On-time loan shall be forgiven the amount of the student's  
2 loan if the student is awarded an undergraduate certificate or  
3 degree at an eligible institution with a cumulative grade point  
4 average of at least 3.0 on a four-point scale or the equivalent:

5 (1) within:

6 (A) four calendar years after the date the  
7 student initially enrolled in the institution or another eligible  
8 institution if:

9 (i) the institution is a four-year  
10 institution; and

11 (ii) the student is awarded a degree other  
12 than a degree in engineering, architecture, or any other program  
13 determined by the coordinating board to require more than four  
14 years to complete;

15 (B) five calendar years after the date the  
16 student initially enrolled in the institution or another eligible  
17 institution if:

18 (i) the institution is a four-year  
19 institution; and

20 (ii) the student is awarded a degree in  
21 engineering, architecture, or any other program determined by the  
22 coordinating board to require more than four years to complete; or

23 (C) two years after the date the student  
24 initially enrolled in the institution or another eligible  
25 institution if the institution is a public junior college or public  
26 technical institute; or

27 (2) with a total number of semester credit hours,

1 including transfer credit hours and hours earned exclusively by  
2 examination, that is not more than six hours more than the minimum  
3 number of semester credit hours required to complete the  
4 certificate or degree.

5 (b) This subsection applies only to a student who first  
6 enrolled in an eligible institution during or after the 2005 fall  
7 semester. A student who receives a Texas B-On-time loan shall be  
8 forgiven the amount of the student's loan if the student is awarded  
9 an undergraduate degree at an eligible institution with a  
10 cumulative grade point average of at least 3.0 on a four-point scale  
11 or the equivalent within:

12 (1) four calendar years after the date the student  
13 initially enrolled in the institution or another eligible  
14 institution if the student's degree program was a baccalaureate  
15 degree program that required 128 semester credit hours or less to  
16 complete;

17 (2) five calendar years after the date the student  
18 initially enrolled in the institution or another eligible  
19 institution if the student's degree program was a baccalaureate  
20 degree program that required more than 128 semester credit hours to  
21 complete; or

22 (3) one calendar year longer than the time prescribed  
23 by Subdivision (1) or (2), as applicable, if the student  
24 transferred from a public junior college, public state college, or  
25 public technical institute after receiving an associate degree or  
26 completing the college's or institute's core curriculum.

27 SECTION 11. This Act takes effect September 1, 2005.