

BILL ANALYSIS

C.S.H.B. 2907
By: Branch
Higher Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties contend that the provisions of law authorizing tuition equalization grants are in need of an update to make certain clarifications and to better reflect a program that has moved from central administration to campus-based administration. C.S.H.B. 2907 seeks to implement such an update as it relates to the requirements for and procedures governing tuition equalization grants.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 3 of this bill.

ANALYSIS

C.S.H.B. 2907 amends the Education Code and Sections 61.2251(b), (c), and (e), Education Code, as added by Chapter 1230 (H.B. 1172), Acts of the 79th Legislature, Regular Session, 2005, in provisions setting out the eligibility requirements for a tuition equalization grant for a person who received such a grant before the 2005-2006 academic year and eligibility requirements for a tuition equalization grant for a person initially receiving such a grant during or after the 2005-2006 academic year, to specify that the person be a Texas resident as defined by provisions relating to state tuition rates, rather than as defined by the Texas Higher Education Coordinating Board, and to limit the requirement that the person not be a recipient of any form of athletic scholarship to the period while the person is receiving a grant.

C.S.H.B. 2907, in a provision authorizing a person initially receiving a tuition equalization grant during or after the 2005-2006 academic year to receive such a grant in a subsequent academic year in which the person is enrolled at an approved institution if certain conditions are met, includes among such conditions that the person makes, as of the end of the full academic year in which the person initially receives a tuition equalization grant, satisfactory academic progress toward a degree or certificate as determined by the institution at which the person is enrolled and that the person has completed at least 75 percent of the semester credit hours attempted in the person's most recent full academic year. The bill clarifies in such provisions that the requirement that the person complete a certain number of semester credit hours applies as of the end of each subsequent academic year in which the person receives a tuition equalization grant. The bill makes conforming changes relating to the rules adopted by the coordinating board to allow a person who is otherwise eligible to receive a tuition equalization grant, in the event of a hardship or for other good cause shown, to receive such a grant if certain conditions are not met.

C.S.H.B. 2907 redesignates Section 61.2251, Education Code, as added by Chapter 1181 (S.B. 1227), Acts of the 79th Legislature, Regular Session, 2005, as Section 61.2252, Education Code. The bill, in a provision relating to the certification of a tuition equalization grant for an academic period for an undergraduate student who establishes exceptional financial need, establishes that the entity responsible for certifying the amount of the grant is the institution of higher education at which the undergraduate student is enrolled, rather than the coordinating board. The bill

establishes that certification is required on determination of a person's financial need from the institution at which the student is enrolled, rather than on receipt of a certification of the amount of financial need from an approved institution.

C.S.H.B. 2907 establishes as an exception to the prohibition against a tuition equalization grant being paid in behalf of any student during any one fiscal year exceeding an amount equal to 50 percent of the average state appropriation in the biennium preceding the biennium in which the grant is made for a full-time student or the equivalent at public senior colleges and universities, as determined by the coordinating board, that the legislature specifies the tuition equalization grant amount by legislative appropriation.

C.S.H.B. 2907 specifies that the annual report in which the coordinating board is required to include certain grant recipient information is the annual report to the legislature on financial aid in the state. The bill makes the changes in law made by the bill's provisions applicable beginning with tuition equalization grants awarded for the 2011-2012 academic year and makes nonsubstantive and conforming changes.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2011.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 2907 differs from the original by retaining a statutory provision prohibiting the certified amount of a tuition equalization grant from exceeding the difference between the tuition at a private institution attended and the tuition at public colleges and universities, whereas the original removes that statutory provision.

C.S.H.B. 2907 contains a provision not included in the original establishing as an exception to the prohibition against a grant being paid in behalf of any student during any one fiscal year exceeding an amount equal to 50 percent of the average state appropriation in the biennium preceding the biennium in which the grant is made for a full-time student or the equivalent at public senior colleges and universities, as determined by the coordinating board, that the legislature specifies a tuition equalization amount by legislative appropriation.

C.S.H.B. 2907 omits a provision included in the original repealing a statutory provision establishing the applicability of the tuition equalization grant program. The substitute differs from the original in nonsubstantive ways.