

## **BILL ANALYSIS**

C.S.H.B. 2829  
By: Howard  
Higher Education  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

The TEXAS grant program is among the state's primary tools for supporting low-income college students. Interested parties contend that the current eligibility guidelines for the TEXAS grant program make it difficult for students to qualify upon their transfer from a public two-year college to a four-year university and that the Texas Educational Opportunity Grant program, which is available only to students of two-year public colleges, is seen as having more flexibility and being better able to meet the needs of those students than TEXAS grants. C.S.H.B. 2829 seeks to make TEXAS grants a university-only program and to provide more flexibility for financial aid offices.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 10 of this bill.

### **ANALYSIS**

C.S.H.B. 2829 amends the Education Code to redefine "eligible institution," as it relates to the TEXAS grant program, as a general academic teaching institution or a medical and dental unit, rather than an institution of higher education, that offers one or more undergraduate degree or certification programs and to exclude a public state college from that definition. The bill replaces references to general academic teaching institutions and public institutions of higher education as they relate to the TEXAS grant program with references to eligible institutions. The bill clarifies that the percentage share of the total amount of money for initial TEXAS grants an eligible institution is allocated for an academic year that is to remain the same as the share of the amount allocated for the preceding academic year is a proportional share.

C.S.H.B. 2829 changes one of the initial TEXAS grant eligibility enrollment requirements from enrollment in an undergraduate degree or certificate program to enrollment in a bachelor's degree program and specifies that the expiration of eligibility for a person who is initially awarded a TEXAS grant during or after the 2005 fall semester, unless provided additional time, is the fifth anniversary of the initial grant award if the person is enrolled in a degree program of four years, rather than a program of four years or less.

C.S.H.B. 2829 changes certain continuing eligibility requirements for a TEXAS grant as follows: from enrollment in an undergraduate degree or certificate program at an eligible institution to enrollment in a bachelor's degree program at an eligible institution and from making satisfactory academic progress toward an undergraduate degree or certificate to making satisfactory academic progress toward a bachelor's degree.

C.S.H.B. 2829 repeals provisions relating to the TEXAS grant amounts for a student enrolled full-time at a public technical institute and a public junior college. The bill authorizes a student who first receives a TEXAS grant for attendance at a public junior college, public state college, or public technical institute for a semester or other academic term before the 2014 fall semester

to continue to receive a TEXAS grant as long as the student remains eligible for the grant and, if eligible, to continue to receive a TEXAS grant if the student enrolls at an eligible institution under the bill's provisions. The bill requires the Texas Higher Education Coordinating Board to adopt rules to administer these provisions and to notify each student who receives a TEXAS grant in the 2013-2014 academic year of the bill's transitional eligibility provisions. The bill's provisions apply beginning with TEXAS grants awarded for the 2014 fall semester.

C.S.H.B. 2829 repeals Sections 56.307(c) and (d), Education Code.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 2829 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

#### INTRODUCED

SECTION 1. Section 56.301, Education Code, is amended to read as follows:

Sec. 56.301. DEFINITIONS. In this subchapter:

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

(2) "Eligible institution" means a general academic teaching [an] institution or a medical and dental unit [of higher education] that offers one or more undergraduate degree or certification programs. The term does not include a public state college.

(3) "General academic teaching institution," "institution of higher education," "medical and dental unit," "public [Public] junior college," "public state college," and "public technical institute" have the meanings assigned by Section 61.003.

SECTION 2. Section 56.302(b), Education Code, is amended.

SECTION 3. Sections 56.303(d-1), (e), and (f), Education Code, are amended to read as follows:

(d-1) In allocating among eligible [general academic teaching] institutions money available for initial TEXAS grants for an academic year, the coordinating board shall ensure that each of those institutions' proportional [percentage] share of the total amount of money for initial grants that is allocated to eligible [general academic

#### HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Sections 56.301(2) and (3), Education Code, are amended to read as follows:

(2) "Eligible institution" means a general academic teaching [an] institution or a medical and dental unit [of higher education] that offers one or more undergraduate degree or certification programs. The term does not include a public state college.

(3) "General academic teaching institution," "institution of higher education," "medical and dental unit," "public [Public] junior college," "public state college," and "public technical institute" have the meanings assigned by Section 61.003.

SECTION 2. Same as introduced version.

SECTION 3. Sections 56.303(d-1), (e), and (f), Education Code, are amended to read as follows:

(d-1) In allocating among eligible [general academic teaching] institutions money available for initial TEXAS grants for an academic year, the coordinating board shall ensure that each of those institutions' proportional [percentage] share of the total amount of money for initial grants that is allocated to eligible [general academic

~~teaching~~] institutions under this section [~~subsection~~] for that year does not, as a result of the number of students who establish eligibility at the institution for an initial grant under Section 56.3041(a)(2)(A) [~~56.3041(2)(A)~~], change from the institution's proportional [~~percentage~~] share of the total amount of money for initial grants that is allocated to those institutions under this section [~~subsection~~] for the preceding academic year.

(e) In determining who should receive a TEXAS grant, the coordinating board and the eligible institutions shall give priority to awarding TEXAS grants to students who demonstrate the greatest financial need and whose expected family contribution, as determined according to the methodology used for federal student financial aid, does not exceed 60 percent of the average statewide amount of tuition and required fees described by Section 56.307(a). In giving priority based on financial need as required by this subsection to students who meet the requirements for the highest priority as provided by Subsection (f), an eligible [~~a general academic teaching~~] institution shall determine financial need according to the relative expected family contribution of those students, beginning with students who have the lowest expected family contribution.

(f) Beginning with TEXAS grants awarded for the 2013-2014 academic year, in determining who should receive an initial TEXAS grant, each eligible [~~general academic teaching~~] institution, in addition to giving priority as provided by Subsection (e), shall give highest priority to students who meet the eligibility criteria described by Section 56.3041(a)(2)(A) [~~56.3041(2)(A)~~]. If there is money available in excess of the amount required to award an initial TEXAS grant to all students meeting those criteria, an eligible [~~a general academic teaching~~] institution shall make awards to other students who meet the eligibility criteria described by Section 56.304(a)(2)(A), provided that the institution continues to give priority to students as provided by Subsection (e).

SECTION 4. Sections 56.304(a) and (e-1), Education Code, are amended to read as follows:

~~teaching~~] institutions under this section [~~subsection~~] for that year does not, as a result of the number of students who establish eligibility at the institution for an initial grant under Section 56.3041(2)(A), change from the institution's proportional [~~percentage~~] share of the total amount of money for initial grants that is allocated to those institutions under this section [~~subsection~~] for the preceding academic year.

(e) In determining who should receive a TEXAS grant, the coordinating board and the eligible institutions shall give priority to awarding TEXAS grants to students who demonstrate the greatest financial need and whose expected family contribution, as determined according to the methodology used for federal student financial aid, does not exceed 60 percent of the average statewide amount of tuition and required fees described by Section 56.307(a). In giving priority based on financial need as required by this subsection to students who meet the requirements for the highest priority as provided by Subsection (f), an eligible [~~a general academic teaching~~] institution shall determine financial need according to the relative expected family contribution of those students, beginning with students who have the lowest expected family contribution.

(f) Beginning with TEXAS grants awarded for the 2013-2014 academic year, in determining who should receive an initial TEXAS grant, each eligible [~~general academic teaching~~] institution, in addition to giving priority as provided by Subsection (e), shall give highest priority to students who meet the eligibility criteria described by Section 56.3041(2)(A). If there is money available in excess of the amount required to award an initial TEXAS grant to all students meeting those criteria, an eligible [~~a general academic teaching~~] institution shall make awards to other students who meet the eligibility criteria described by Section 56.304(a)(2)(A), provided that the institution continues to give priority to students as provided by Subsection (e).

SECTION 4. Sections 56.304(a) and (e-1), Education Code, are amended to read as follows:

(a) To be eligible initially for a TEXAS grant, a person who graduated from high school before May 1, 2013, must:

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

(2) meet either of the following academic requirements:

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

(B) have received an associate degree from a public or private institution of higher education not earlier than May 1, 2001;

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

(4) be enrolled in a baccalaureate [~~an undergraduate~~] degree [~~or certificate~~] program at an eligible institution;

(5) be enrolled as:

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

(B) an entering student for at least three-fourths of a full course load for an undergraduate student as determined by the coordinating board, not later than the 12th month after the month the person receives an associate degree from a public or private institution of higher education;

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

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

(e-1) If a person is initially awarded a TEXAS grant during or after the 2005 fall semester, unless the person is provided additional time during which the person may receive a TEXAS grant under Subsection (e-2), the person's eligibility for a TEXAS grant ends on:

(1) the fifth anniversary of the initial award of a TEXAS grant to the person, if the person is enrolled in a degree [~~or certificate~~] program of four years [~~or less~~]; or

(2) the sixth anniversary of the initial award of a TEXAS grant to the person, if the person is enrolled in a degree program of

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

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

(2) meet either of the following academic requirements:

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

(B) have received an associate degree from a public or private institution of higher education not earlier than May 1, 2001;

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

(4) be enrolled in a baccalaureate [~~an undergraduate~~] degree [~~or certificate~~] program at an eligible institution;

(5) be enrolled as:

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

(B) an entering student for at least three-fourths of a full course load for an undergraduate student as determined by the coordinating board, not later than the 12th month after the month the person receives an associate degree from a public or private institution of higher education;

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

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

(e-1) If a person is initially awarded a TEXAS grant during or after the 2005 fall semester, unless the person is provided additional time during which the person may receive a TEXAS grant under Subsection (e-2), the person's eligibility for a TEXAS grant ends on:

(1) the fifth anniversary of the initial award of a TEXAS grant to the person, if the person is enrolled in a degree [~~or certificate~~] program of four years [~~or less~~]; or

(2) the sixth anniversary of the initial award of a TEXAS grant to the person, if the person is enrolled in a degree program of

more than four years.

SECTION 5. Section 56.3041, Education Code, is amended to read as follows:

Sec. 56.3041. INITIAL ELIGIBILITY OF PERSON GRADUATING FROM HIGH SCHOOL ON OR AFTER MAY 1, 2013[, AND ENROLLING IN A GENERAL ACADEMIC TEACHING INSTITUTION].

(a) To ~~Notwithstanding Section 56.304(a),~~ to be eligible initially for a TEXAS grant, a person graduating from high school on or after May 1, 2013, and enrolling in an eligible ~~[a general academic teaching]~~ institution must:

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

(2) meet the academic requirements prescribed by Paragraph (A), (B), or (C) as follows:

(A) be a graduate of a public or accredited private high school in this state who completed the recommended high school program established under Section 28.025 or its equivalent and have accomplished any two or more of the following:

(i) graduation under the advanced high school program established under Section 28.025 or its equivalent, successful completion of the course requirements of the international baccalaureate diploma program, or earning of the equivalent of at least 12 semester credit hours of college credit in high school through courses described in Sections 28.009(a)(1), (2), and (3);

(ii) satisfaction of the Texas Success Initiative (TSI) college readiness benchmarks prescribed by the coordinating board under Section 51.3062(f) on any assessment instrument designated by the coordinating board under Section 51.3062(c) ~~[or (e)]~~ or qualification for an exemption as described by Section 51.3062(p), (q), or (q-1);

(iii) graduation in the top one-third of the person's high school graduating class or graduation from high school with a grade point average of at least 3.0 on a four-point scale or the equivalent; or

(iv) completion for high school credit of at least one advanced mathematics course following the successful completion of an

more than four years.

SECTION 5. Section 56.3041, Education Code, is amended to read as follows:

Sec. 56.3041. INITIAL ELIGIBILITY OF PERSON GRADUATING FROM HIGH SCHOOL ON OR AFTER MAY 1, 2013[, AND ENROLLING IN A GENERAL ACADEMIC TEACHING INSTITUTION].

~~Notwithstanding Section 56.304(a),~~ to be eligible initially for a TEXAS grant, a person graduating from high school on or after May 1, 2013, and enrolling in an eligible ~~[a general academic teaching]~~ institution must:

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

(2) meet the academic requirements prescribed by Paragraph (A), (B), or (C) as follows:

(A) be a graduate of a public or accredited private high school in this state who completed the recommended high school program established under Section 28.025 or its equivalent and have accomplished any two or more of the following:

(i) graduation under the advanced high school program established under Section 28.025 or its equivalent, successful completion of the course requirements of the international baccalaureate diploma program, or earning of the equivalent of at least 12 semester credit hours of college credit in high school through courses described in Sections 28.009(a)(1), (2), and (3);

(ii) satisfaction of the Texas Success Initiative (TSI) college readiness benchmarks prescribed by the coordinating board under Section 51.3062(f) on any assessment instrument designated by the coordinating board under Section 51.3062(c) ~~[or (e)]~~ or qualification for an exemption as described by Section 51.3062(p), (q), or (q-1);

(iii) graduation in the top one-third of the person's high school graduating class or graduation from high school with a grade point average of at least 3.0 on a four-point scale or the equivalent; or

(iv) completion for high school credit of at least one advanced mathematics course following the successful completion of an Algebra II course, as permitted by Section 28.025(b-3), or at least one advanced career

Algebra II course, as permitted by Section 28.025(b-3), or at least one advanced career and technical course, as permitted by Section 28.025(b-2);

(B) have received an associate degree from a public or private institution of higher education; or

(C) if sufficient money is available, meet the eligibility criteria described by Section 56.304(a)(2)(A);

(3) meet financial need requirements established by the coordinating board;

(4) be enrolled in an undergraduate degree or certificate program at an eligible [~~the general academic teaching~~] institution;

(5) except as provided under rules adopted under Section 56.304(h), be enrolled as:

(A) an entering undergraduate student for at least three-fourths of a full course load, as determined by the coordinating board, not later than the 16th month after the calendar month in which the person graduated from high school;

(B) an entering undergraduate student who entered military service not later than the first anniversary of the date the person graduated from high school and who enrolled for at least three-fourths of a full course load, as determined by the coordinating board, at the eligible [~~general academic teaching~~] institution not later than 12 months after being honorably discharged from military service; or

(C) a continuing undergraduate student for at least three-fourths of a full course load, as determined by the coordinating board, not later than the 12th month after the calendar month in which the person received an associate degree from a public or private institution of higher education;

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

(7) comply with any additional nonacademic requirements adopted by the coordinating board under this subchapter.

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

and technical course, as permitted by Section 28.025(b-2);

(B) have received an associate degree from a public or private institution of higher education; or

(C) if sufficient money is available, meet the eligibility criteria described by Section 56.304(a)(2)(A);

(3) meet financial need requirements established by the coordinating board;

(4) be enrolled in an undergraduate degree or certificate program at an eligible [~~the general academic teaching~~] institution;

(5) except as provided under rules adopted under Section 56.304(h), be enrolled as:

(A) an entering undergraduate student for at least three-fourths of a full course load, as determined by the coordinating board, not later than the 16th month after the calendar month in which the person graduated from high school;

(B) an entering undergraduate student who entered military service not later than the first anniversary of the date the person graduated from high school and who enrolled for at least three-fourths of a full course load, as determined by the coordinating board, at the eligible [~~general academic teaching~~] institution not later than 12 months after being honorably discharged from military service; or

(C) a continuing undergraduate student for at least three-fourths of a full course load, as determined by the coordinating board, not later than the 12th month after the calendar month in which the person received an associate degree from a public or private institution of higher education;

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

(7) comply with any additional nonacademic requirements adopted by the coordinating board under this subchapter.

person's academic performance, to receive a TEXAS grant while enrolled in a number of semester credit hours that is less than the number of semester credit hours required under Subsection (a)(5). The coordinating board may not allow a person to receive a TEXAS grant while enrolled in fewer than six semester credit hours.

SECTION 6. Section 56.3042, Education Code, is amended to read as follows:

Sec. 56.3042. INITIAL QUALIFICATION OF PERSON ON TRACK TO MEET ELIGIBILITY REQUIREMENTS. (a) If at the time an eligible institution awards TEXAS grants to initial recipients for an academic year an applicant has not completed high school or the applicant's final high school transcript is not yet available to the institution, the student is considered to have satisfied the eligibility requirements of Section 56.304(a)(2)(A) or 56.3041(a)(2)(A) [~~56.3041(2)(A)~~] if the student's available high school transcript indicates that at the time the transcript was prepared the student was on schedule to graduate from high school and to meet the eligibility requirements, as applicable to the student, in time to be eligible for a TEXAS grant for the academic year.

(a-1) If at the time an eligible institution awards TEXAS grants to initial recipients for an academic year an applicant who is an associate degree candidate has not completed that degree or the applicant's final college transcript is not yet available to the institution, the student is considered to have satisfied the associate degree requirement of Section 56.304(a)(2)(B) or 56.3041(a)(2)(B) [~~56.3041(2)(B)~~] if the student's available college transcript indicates that at the time the transcript was prepared the student was on schedule to complete the associate degree in time to be eligible for a TEXAS grant for the academic year.

(b) The coordinating board or the eligible institution may require the student to forgo or repay the amount of an initial TEXAS grant awarded to the student as described by Subsection (a) or (a-1) if the student fails to meet the eligibility requirements described by Subsection (a) or (a-1) [~~of Section 56.304(a)(2)(A), 56.3041(2)(A), 56.304(a)(2)(B), or 56.3041(2)(B)~~], as applicable to the student, after the issuance

No equivalent provision.

of the available high school or college transcript.

(c) A person who is required to forgo or repay the amount of an initial TEXAS grant under Subsection (b) may subsequently become eligible to receive an initial TEXAS grant under Section 56.304 or 56.3041 by satisfying the associate degree requirement prescribed by Section 56.304(a)(2)(B) or 56.3041(a)(2)(B) [~~56.3041(2)(B)~~] and the other requirements of those sections applicable to the person at the time the person reapplies for the grant.

(d) A person who receives an initial TEXAS grant under Subsection (a) or (a-1) but does not satisfy the applicable eligibility requirement that the person was considered to have satisfied under the applicable subsection and who is not required to forgo or repay the amount of the grant under Subsection (b) may become eligible to receive a subsequent TEXAS grant under Section 56.305 only by satisfying the associate degree requirement prescribed by Section 56.304(a)(2)(B) or 56.3041(a)(2)(B) [~~56.3041(2)(B)~~], as applicable to the person, in addition to the requirements of Section 56.305 at the time the person applies for the subsequent grant.

SECTION 7. Section 56.305(a), Education Code, is amended to read as follows:

(a) After initially qualifying for a TEXAS grant, a person may continue to receive a TEXAS grant during each semester or term in which the person is enrolled at an eligible institution only if the person:

(1) meets financial need requirements as defined by the coordinating board;

(2) is enrolled in a baccalaureate [~~an undergraduate~~] degree [~~or certificate~~] program at an eligible institution;

(3) is enrolled for at least three-fourths of a full course load for an undergraduate student, as determined by the coordinating board;

(4) makes satisfactory academic progress toward a baccalaureate [~~an undergraduate~~] degree [~~or certificate~~]; and

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

SECTION 8. Section 56.306, Education Code, is amended to read as follows:

SECTION 6. Section 56.305(a), Education Code, is amended to read as follows:

(a) After initially qualifying for a TEXAS grant, a person may continue to receive a TEXAS grant during each semester or term in which the person is enrolled at an eligible institution only if the person:

(1) meets financial need requirements as defined by the coordinating board;

(2) is enrolled in a baccalaureate [~~an undergraduate~~] degree [~~or certificate~~] program at an eligible institution;

(3) is enrolled for at least three-fourths of a full course load for an undergraduate student, as determined by the coordinating board;

(4) makes satisfactory academic progress toward a baccalaureate [~~an undergraduate~~] degree [~~or certificate~~]; and

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

SECTION 7. Section 56.306, Education Code, is amended to read as follows:



Sec. 56.306. GRANT USE. A person receiving a TEXAS grant may use the money to pay any usual and customary cost of attendance at an eligible institution [~~of higher education~~] incurred by the student. The institution may disburse all or part of the proceeds of a TEXAS grant directly to an eligible person only if the tuition and required fees incurred by the person at the institution have been paid.

SECTION 9. Sections 56.307(a) and (d-1), Education Code, are amended to read as follows:

(a) The amount of a TEXAS grant for a semester or term for a person enrolled full-time at an eligible institution [~~other than an institution covered by Subsection (c) or (d)~~] is an [~~the~~] amount determined by the coordinating board that may not exceed [~~as~~] the average statewide amount of tuition, [~~and~~] required fees, and allowance for course materials that a resident student enrolled full-time in a baccalaureate degree program would be charged for that semester or term at general academic teaching institutions.

(d-1) The coordinating board shall determine the average statewide tuition, [~~and~~] fee amounts, and allowance for course materials for a semester or term of the next academic year for purposes of this section by using the amounts of tuition and required fees that will be charged by the [~~applicable~~] eligible institutions for that semester or term in that academic year. The board may estimate the amount of the charges for a semester or term in the next academic year by an institution if the relevant information is not yet available to the board.

SECTION 10. Section 56.311(c-1), Education Code, is amended to read as follows:

(c-1) Not later than September 1 of each year, the coordinating board shall provide a report to the committee regarding the operation of the TEXAS grant program, including information from the three preceding state fiscal years as follows:

(1) allocations of TEXAS grants by eligible institution, disaggregated by initial and subsequent awards;

(2) the number of TEXAS grants awarded to students disaggregated by race, ethnicity,

Sec. 56.306. GRANT USE. A person receiving a TEXAS grant may use the money to pay any usual and customary cost of attendance at an eligible institution [~~of higher education~~] incurred by the student. The institution may disburse all or part of the proceeds of a TEXAS grant to an eligible person only if the tuition and required fees incurred by the person at the institution have been paid.

SECTION 8. Section 56.307(a), Education Code, is amended to read as follows:

(a) The amount of a TEXAS grant for a semester or term for a person enrolled full-time at an eligible institution [~~other than an institution covered by Subsection (c) or (d)~~] is the amount determined by the coordinating board as the average statewide amount of tuition and required fees that a resident student enrolled full-time in a baccalaureate degree program would be charged for that semester or term at general academic teaching institutions.

No equivalent provision.

and expected family contribution;  
(3) disaggregated as required by Subdivision (2) and reported both on a statewide basis and for each eligible institution, the number of TEXAS grants awarded to students who meet:  
(A) only the eligibility criteria described by Section 56.304; or  
(B) the eligibility criteria described by Section 56.3041(a)(2)(A) [~~56.3041(2)(A)~~]; and  
(4) the persistence, retention, and graduation rates of students receiving TEXAS grants.

SECTION 11. Sections 56.307(c), (d), ~~(e), (f), (i-1), (j), and (l)~~, Education Code, are repealed.

SECTION 12. (a) The change in law made to Subchapter M, Chapter 56, Education Code, by this Act applies beginning with TEXAS grants awarded for the 2014 fall semester. Grants awarded for a semester or term before the 2014 fall semester are governed by the applicable law in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose.

(b) Notwithstanding Subsection (a) of this section, a student who first receives a TEXAS grant for attendance at a public junior college, public state college, or public technical institute for a semester or other academic term before the 2014 fall semester may continue to receive a TEXAS grant under Subchapter M, Chapter 56, Education Code, as that subchapter existed immediately before the effective date of this Act, as long as the student remains eligible for a TEXAS grant under the former law, and, if eligible, may continue to receive a TEXAS grant if the person enrolls at an eligible institution under Subchapter M, Chapter 56, Education Code, as amended this Act. The Texas Higher Education Coordinating Board shall adopt rules to administer this subsection and shall notify each student who receives a TEXAS grant in the 2013-2014 academic year of the provisions of this subsection.

SECTION 13. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III,

SECTION 9. Sections 56.307(c) and (d), Education Code, are repealed.

SECTION 10. Substantially the same as introduced version.

SECTION 11. Same as introduced version.

Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.