

By: Branch

H.B. No. 2755

Substitute the following for H.B. No. 2755:

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C.S.H.B. No. 2755

A BILL TO BE ENTITLED

AN ACT

relating to student financial assistance for certain students of
WGU Texas or similar online nonprofit colleges or universities.

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

SECTION 1. Subchapter A, Chapter 56, Education Code, is
amended by adding Section 56.009 to read as follows:

Sec. 56.009. FINANCIAL ASSISTANCE FOR STUDENTS ENROLLED AT
WGU TEXAS OR SIMILAR ONLINE COLLEGES OR UNIVERSITIES. (a) In this
section, "general academic teaching institution" and "private or
independent institution of higher education" have the meanings
assigned by Section 61.003.

(b) The Texas Higher Education Coordinating Board by rule
shall:

(1) provide student financial assistance grants
during the 2013-2014 and 2014-2015 academic years for students
enrolled:

(A) at WGU Texas, or a similar nonprofit,
tax-exempt, regionally accredited college or university operating
in accordance with a memorandum of understanding with this state
pursuant to an executive order issued by the governor and offering
competency-based, exclusively online or other distance education;
and

(B) in a degree program approved by the
coordinating board for purposes of this section; and

1 (2) in consultation with representatives of the
2 coordinating board's financial aid advisory committee,
3 representatives of financial aid offices of institutions of higher
4 education and private or independent institutions of higher
5 education offering online or other distance education courses and
6 programs similar to those offered by nonprofit colleges or
7 universities described by Subdivision (1)(A), and representatives
8 of financial aid offices of nonprofit colleges or universities
9 described by Subdivision (1)(A):

10 (A) conduct a study regarding, and prepare
11 proposed draft legislation for, the creation of a state-funded
12 student financial assistance program:

13 (i) that is available only to students of
14 nonprofit, tax-exempt, regionally accredited universities or
15 colleges domiciled in this state that offer competency-based,
16 exclusively online or other distance education; and

17 (ii) under which the highest priority is
18 given to awarding grants to those eligible students who demonstrate
19 the greatest financial need; and

20 (B) not later than October 1, 2014, submit to
21 each standing committee of the legislature with primary
22 jurisdiction of higher education a report of the results of the
23 study conducted under Paragraph (A), together with the proposed
24 draft legislation prepared under that paragraph.

25 (c) The rules adopted under Subsection (b)(1) must
26 prescribe eligibility requirements for an award of a grant under
27 that subdivision, including:

1 (1) a requirement that a student:

2 (A) be a resident of this state; and

3 (B) demonstrate financial need; and

4 (2) any additional eligibility requirements, such as
5 academic achievement, satisfactory academic progress, course load,
6 or course completion requirements, that the coordinating board
7 considers reasonable and appropriate for students enrolled in
8 online or other distance education programs.

9 (d) The amount of a grant awarded to a student under
10 Subsection (b)(1) for an academic year may not exceed the lesser of:

11 (1) the amount prescribed under Section 61.227(c) as
12 the maximum annual amount of a tuition equalization grant paid to a
13 student; or

14 (2) the amount of the difference between:

15 (A) the tuition charged to the student by the
16 college or university in which the student is enrolled for that
17 academic year; and

18 (B) the average tuition charged to a similarly
19 situated student by a general academic teaching institution for
20 that academic year, as determined by the coordinating board.

21 (e) This section expires January 1, 2016.

22 SECTION 2. (a) The Texas Higher Education Coordinating
23 Board shall adopt any rules necessary under Section 56.009,
24 Education Code, as added by this Act, as soon as practicable after
25 this Act takes effect. For that purpose, the coordinating board may
26 adopt the initial rules in the manner provided by law for emergency
27 rules.

1 (b) The coordinating board shall begin awarding grants in
2 accordance with Section 56.009(b)(1), Education Code, as added by
3 this Act, as soon as practicable after this Act takes effect.

4 SECTION 3. This Act takes effect immediately if it receives
5 a vote of two-thirds of all the members elected to each house, as
6 provided by Section 39, Article III, Texas Constitution. If this
7 Act does not receive the vote necessary for immediate effect, this
8 Act takes effect September 1, 2013.