

By: Howard

H.B. No. 2829

A BILL TO BE ENTITLED

AN ACT

relating to eligibility for a TEXAS grant and to administration of the TEXAS grant program.

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

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 to read as follows:

(b) The purpose of this subchapter is to provide a grant of money to enable eligible students to attend eligible [public] institutions [of higher education] in this state.

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

3 (d-1) In allocating among eligible [~~general academic~~
4 ~~teaching~~] institutions money available for initial TEXAS grants for
5 an academic year, the coordinating board shall ensure that each of
6 those institutions' proportional [~~percentage~~] share of the total
7 amount of money for initial grants that is allocated to eligible
8 [~~general academic teaching~~] institutions under this section
9 [~~subsection~~] for that year does not, as a result of the number of
10 students who establish eligibility at the institution for an
11 initial grant under Section 56.3041(a)(2)(A) [~~56.3041(2)(A)~~],
12 change from the institution's proportional [~~percentage~~] share of
13 the total amount of money for initial grants that is allocated to
14 those institutions under this section [~~subsection~~] for the
15 preceding academic year.

16 (e) In determining who should receive a TEXAS grant, the
17 coordinating board and the eligible institutions shall give
18 priority to awarding TEXAS grants to students who demonstrate the
19 greatest financial need and whose expected family contribution, as
20 determined according to the methodology used for federal student
21 financial aid, does not exceed 60 percent of the average statewide
22 amount of tuition and required fees described by Section
23 56.307(a). In giving priority based on financial need as required
24 by this subsection to students who meet the requirements for the
25 highest priority as provided by Subsection (f), an eligible [~~a~~
26 ~~general academic teaching~~] institution shall determine financial
27 need according to the relative expected family contribution of

1 those students, beginning with students who have the lowest
2 expected family contribution.

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

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

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

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

22 (2) meet either of the following academic
23 requirements:

24 (A) be a graduate of a public or accredited
25 private high school in this state who graduated not earlier than the
26 1998-1999 school year and who completed the recommended or advanced
27 high school curriculum established under Section 28.002 or 28.025

1 or its equivalent; or

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

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

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

9 (5) be enrolled as:

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

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

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

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

25 (e-1) If a person is initially awarded a TEXAS grant during
26 or after the 2005 fall semester, unless the person is provided
27 additional time during which the person may receive a TEXAS grant

1 under Subsection (e-2), the person's eligibility for a TEXAS grant
2 ends on:

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

6 (2) the sixth anniversary of the initial award of a
7 TEXAS grant to the person, if the person is enrolled in a degree
8 program of more than four years.

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

11 Sec. 56.3041. INITIAL ELIGIBILITY OF PERSON GRADUATING FROM
12 HIGH SCHOOL ON OR AFTER MAY 1, 2013 [~~, AND ENROLLING IN A GENERAL~~
13 ~~ACADEMIC TEACHING INSTITUTION~~]. (a) To [~~Notwithstanding Section~~
14 ~~56.304(a), to~~] be eligible initially for a TEXAS grant, a person
15 graduating from high school on or after May 1, 2013, and enrolling
16 in an eligible [~~a general academic teaching~~] institution must:

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

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

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

25 (i) graduation under the advanced high
26 school program established under Section 28.025 or its equivalent,
27 successful completion of the course requirements of the

1 international baccalaureate diploma program, or earning of the
2 equivalent of at least 12 semester credit hours of college credit in
3 high school through courses described in Sections 28.009(a)(1),
4 (2), and (3);

5 (ii) satisfaction of the Texas Success
6 Initiative (TSI) college readiness benchmarks prescribed by the
7 coordinating board under Section 51.3062(f) on any assessment
8 instrument designated by the coordinating board under Section
9 51.3062(c) [~~or (e)~~] or qualification for an exemption as described
10 by Section 51.3062(p), (q), or (q-1);

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

15 (iv) completion for high school credit of
16 at least one advanced mathematics course following the successful
17 completion of an Algebra II course, as permitted by Section
18 28.025(b-3), or at least one advanced career and technical course,
19 as permitted by Section 28.025(b-2);

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

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

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

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

1 institution;

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

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

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

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

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

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

25 (b) The coordinating board shall adopt rules to allow a
26 person who is otherwise eligible to receive a TEXAS grant, in the
27 event of a hardship or for other good cause shown, including a

1 showing of a severe illness or other debilitating condition that
2 may affect the person's academic performance or that the person is
3 responsible for the care of a sick, injured, or needy person and
4 that the person's provision of care may affect the person's academic
5 performance, to receive a TEXAS grant while enrolled in a number of
6 semester credit hours that is less than the number of semester
7 credit hours required under Subsection (a)(5). The coordinating
8 board may not allow a person to receive a TEXAS grant while enrolled
9 in fewer than six semester credit hours.

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

12 Sec. 56.3042. INITIAL QUALIFICATION OF PERSON ON TRACK TO
13 MEET ELIGIBILITY REQUIREMENTS. (a) If at the time an eligible
14 institution awards TEXAS grants to initial recipients for an
15 academic year an applicant has not completed high school or the
16 applicant's final high school transcript is not yet available to
17 the institution, the student is considered to have satisfied the
18 eligibility requirements of Section 56.304(a)(2)(A) or
19 56.3041(a)(2)(A) [~~56.3041(2)(A)~~] if the student's available high
20 school transcript indicates that at the time the transcript was
21 prepared the student was on schedule to graduate from high school
22 and to meet the eligibility requirements, as applicable to the
23 student, in time to be eligible for a TEXAS grant for the academic
24 year.

25 (a-1) If at the time an eligible institution awards TEXAS
26 grants to initial recipients for an academic year an applicant who
27 is an associate degree candidate has not completed that degree or

1 the applicant's final college transcript is not yet available to
2 the institution, the student is considered to have satisfied the
3 associate degree requirement of Section 56.304(a)(2)(B) or
4 56.3041(a)(2)(B) [~~56.3041(2)(B)~~] if the student's available
5 college transcript indicates that at the time the transcript was
6 prepared the student was on schedule to complete the associate
7 degree in time to be eligible for a TEXAS grant for the academic
8 year.

9 (b) The coordinating board or the eligible institution may
10 require the student to forgo or repay the amount of an initial TEXAS
11 grant awarded to the student as described by Subsection (a) or (a-1)
12 if the student fails to meet the eligibility requirements described
13 by Subsection (a) or (a-1) [~~of Section 56.304(a)(2)(A),~~
14 ~~56.3041(2)(A), 56.304(a)(2)(B), or 56.3041(2)(B)~~], as applicable
15 to the student, after the issuance of the available high school or
16 college transcript.

17 (c) A person who is required to forgo or repay the amount of
18 an initial TEXAS grant under Subsection (b) may subsequently become
19 eligible to receive an initial TEXAS grant under Section 56.304 or
20 56.3041 by satisfying the associate degree requirement prescribed
21 by Section 56.304(a)(2)(B) or 56.3041(a)(2)(B) [~~56.3041(2)(B)~~] and
22 the other requirements of those sections applicable to the person
23 at the time the person reapplies for the grant.

24 (d) A person who receives an initial TEXAS grant under
25 Subsection (a) or (a-1) but does not satisfy the applicable
26 eligibility requirement that the person was considered to have
27 satisfied under the applicable subsection and who is not required

1 to forgo or repay the amount of the grant under Subsection (b) may
2 become eligible to receive a subsequent TEXAS grant under Section
3 56.305 only by satisfying the associate degree requirement
4 prescribed by Section 56.304(a)(2)(B) or 56.3041(a)(2)(B)
5 [~~56.3041(2)(B)~~], as applicable to the person, in addition to the
6 requirements of Section 56.305 at the time the person applies for
7 the subsequent grant.

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

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

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

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

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

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

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

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

27 Sec. 56.306. GRANT USE. A person receiving a TEXAS grant

1 may use the money to pay any usual and customary cost of attendance
2 at an eligible institution [~~of higher education~~] incurred by the
3 student. The institution may disburse all or part of the proceeds
4 of a TEXAS grant directly to an eligible person only if the tuition
5 and required fees incurred by the person at the institution have
6 been paid.

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

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

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

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

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

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

7 (2) the number of TEXAS grants awarded to students
8 disaggregated by race, ethnicity, and expected family
9 contribution;

10 (3) disaggregated as required by Subdivision (2) and
11 reported both on a statewide basis and for each eligible
12 institution, the number of TEXAS grants awarded to students who
13 meet:

14 (A) only the eligibility criteria described by
15 Section 56.304; or

16 (B) the eligibility criteria described by
17 Section 56.3041(a)(2)(A) [~~56.3041(2)(A)~~]; and

18 (4) the persistence, retention, and graduation rates
19 of students receiving TEXAS grants.

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

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

1 purpose.

2 (b) Notwithstanding Subsection (a) of this section, a
3 student who first receives a TEXAS grant for attendance at a public
4 junior college, public state college, or public technical institute
5 for a semester or other academic term before the 2014 fall semester
6 may continue to receive a TEXAS grant under Subchapter M, Chapter
7 56, Education Code, as that subchapter existed immediately before
8 the effective date of this Act, as long as the student remains
9 eligible for a TEXAS grant under the former law, and, if eligible,
10 may continue to receive a TEXAS grant if the person enrolls at an
11 eligible institution under Subchapter M, Chapter 56, Education
12 Code, as amended this Act. The Texas Higher Education Coordinating
13 Board shall adopt rules to administer this subsection and shall
14 notify each student who receives a TEXAS grant in the 2013-2014
15 academic year of the provisions of this subsection.

16 SECTION 13. This Act takes effect immediately if it
17 receives a vote of two-thirds of all the members elected to each
18 house, as provided by Section 39, Article III, Texas Constitution.
19 If this Act does not receive the vote necessary for immediate
20 effect, this Act takes effect September 1, 2013.