By: Clardy

H.B. No. 653

A BILL TO BE ENTITLED 1 AN ACT 2 relating to the Texas Educational Opportunity Grant program. 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: SECTION 1. Section 56.402(b), Education Code, is amended to 4 read as follows: 5 The purpose of this subchapter is to provide a grant of 6 (b) money to enable eligible students to attend eligible [two-year 7 public] institutions [of higher education] in this state. 8 SECTION 2. Sections 56.404(a), (c), (d), and (f), Education 9 Code, are amended to read as follows: 10 To be eligible initially for a grant under the grant 11 (a) 12 program, a person must: 13 (1) be a resident of this state as determined by 14 coordinating board rules; (2) meet financial need requirements as defined by the 15 coordinating board; 16 17 (3) be enrolled in an associate or baccalaureate degree program or a certificate program at an eligible institution; 18 19 (4) be enrolled as an entering student for at least one-half of a full course load for an entering student in the 20 21 associate or baccalaureate degree program or a certificate program, 22 as determined by the coordinating board; (5) have applied for any available financial aid or 23 24 assistance; and

85R3652 KJE-D

H.B. No. 653 1 (6) comply with any additional nonacademic requirement adopted by the coordinating board this 2 under 3 subchapter. 4 (c) A person is not eligible to receive a grant under this 5 subchapter if the person has been granted: 6 (1) an associate degree, if the person is enrolled in 7 an associate degree or certificate program; or 8 (2) a baccalaureate degree. 9 (d) A person may not receive a grant under this subchapter 10 for more than: (1) for a person enrolled in an associate degree or 11 12 certificate program, 75 semester credit hours or the equivalent; or (2) for a person enrolled in a baccalaureate degree 13 14 program, the greater of: 15 (A) 15 semester credit hours or the equivalent more than the total number of semester credit hours or the 16 equivalent required by the institution for the degree program in 17 which the person is enrolled; or 18 (B) 135 semester credit hours or the equivalent. 19 A person's eligibility for a grant under this subchapter 20 (f) 21 ends on: (1) the fourth anniversary of the initial award of a 22 grant under this subchapter to the person and the person's 23 24 enrollment in an eligible institution, if the person is enrolled in a degree or certificate program of two years or less; or 25 26 (2) the fifth anniversary of the initial award of a 27 grant under this subchapter to the person and the person's

H.B. No. 653

enrollment in an eligible institution, if the person is enrolled in
 a degree program of more than two years.

3 SECTION 3. Sections 56.405(a), (d), and (f), Education 4 Code, are amended to read as follows:

5 (a) After initially qualifying for a grant under this 6 subchapter, a person may continue to receive a grant under this 7 subchapter during each semester or term in which the person is 8 enrolled at an eligible institution only if the person:

9 (1) meets financial need requirements as defined by10 the coordinating board;

11 (2) is enrolled in an associate <u>or baccalaureate</u> 12 degree <u>program</u> or <u>a</u> certificate program at an eligible institution; 13 (3) is enrolled for at least one-half of a full course 14 load for a student in an associate <u>or baccalaureate</u> degree <u>program</u> 15 or <u>a</u> certificate program, as determined by the coordinating board;

16 (4) makes satisfactory academic progress toward an
 17 associate <u>or baccalaureate</u> degree or <u>a</u> certificate; and

18 (5) complies with any additional nonacademic19 requirement adopted by the coordinating board.

(d) For the purpose of this section, a person makes
 satisfactory academic progress toward an associate or
 <u>baccalaureate</u> degree or <u>a certificate only if:</u>

(1) in the person's first academic year the person
 meets the satisfactory academic progress requirements of the
 institution at which the person is enrolled; and

26 (2) in a subsequent academic year, the person:
27 (A) completes at least 75 percent of the semester

H.B. No. 653
1 credit hours attempted in the student's most recent academic year;
2 and

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

(f) The coordinating board shall adopt rules to allow a 6 person who is otherwise eligible to receive a grant under this 7 8 subchapter, in the event of a hardship or for other good cause shown, including a showing of a severe illness or 9 other 10 debilitating condition that may affect the person's academic performance or that the person is responsible for the care of a 11 12 sick, injured, or needy person and that the person's provision of care may affect the person's academic performance, to receive a 13 14 grant under this subchapter:

(1) while enrolled in a number of semester credit hours that is less than the number of semester credit hours required under Subsection (a)(3); [<del>or</del>]

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

21 (3) for a number of semester credit hours that is 22 greater than the number of semester credit hours permitted under 23 Section 56.404(d); or

24 (4) for a number of years that is greater than the 25 number of years for which the person is eligible to receive a grant 26 under Section 56.404(f).

27 SECTION 4. Section 56.406, Education Code, is amended to

H.B. No. 653

1 read as follows:

Sec. 56.406. GRANT USE. A person receiving a grant under 2 3 this subchapter may use the money <u>only</u> to pay <u>the amount of tuition</u> and required fees and the cost of required textbooks [any usual and 4 5 customary cost of attendance] at an eligible institution incurred by the student. The institution may disburse all or part of the 6 proceeds of a grant under this subchapter to an eligible person only 7 8 if the tuition and required fees incurred by the person at the institution have been paid. 9

10 SECTION 5. Sections 56.407(a), (c), and (g), Education 11 Code, are amended to read as follows:

12 (a) The amount of a grant <u>awarded to a student</u> under this 13 subchapter <u>for a semester or other academic term</u> [<del>for a student</del> 14 <del>enrolled full-time at an eligible institution</del>] is <u>an</u> [<del>the</del>] amount 15 <u>not to exceed the lesser of:</u>

16

(1) the difference between:

17 <u>(A)</u> [determined by the coordinating board as] the 18 [average statewide] amount of tuition and required fees incurred by 19 the student at an eligible institution for that semester or term 20 plus a textbook stipend in an amount determined by the coordinating 21 board; and

## (B) the amount of the Pell Grant for which the student is eligible, if any; or (2) the student's unmet financial need for that

25 <u>semester or term</u> [that a resident student enrolled full-time in an 26 associate degree or certificate program would be charged for that 27 semester or term at eligible institutions].

H.B. No. 653

1 (c) Except as provided by Subsection (a)(1), the [The] 2 amount of a grant under this subchapter may not be reduced by any 3 gift aid for which the person receiving the grant is eligible, 4 unless the total amount of a person's grant plus any gift aid 5 received exceeds the <u>student's financial need</u> [total cost of 6 <u>attendance at an eligible institution</u>].

7 (g) An institution may use other available sources of 8 financial aid, other than a loan or <u>work-study program</u> [<del>a Pell</del> 9 grant], to cover any difference in the amount of a grant under this 10 subchapter and the actual amount of tuition and required fees at the 11 institution.

SECTION 6. Sections 56.407(b) and (d), Education Code, are repealed.

SECTION 7. The changes in law made by this Act apply to participation in the Texas Educational Opportunity Grant program beginning with the 2018-2019 academic year. Participation in the Texas Educational Opportunity Grant program for an academic year before the 2018-2019 academic year is 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.

21 SECTION 8. This Act takes effect January 1, 2018.