## A BILL TO BE ENTITLED

## AN ACT

relating to eligibility for a TEXAS grant.
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
SECTION 1. Subchapter $M$, Chapter 56 , Education Code, is amended by adding Section 56.3031 to read as follows:

Sec. 56.3031. FINANCIAL NEED. (a) The coordinating board by rule shall establish financial need requirements for applicants to demonstrate eligibility to receive initial or subsequent TEXAS grants under this subchapter.
(b) The rules must require each applicant to demonstrate eligibility for federal financial aid but may not require the applicant to meet a financial need requirement applicable to a particular federal financial aid program.
(c) Section 56.3045(b)(2) does not apply to the eligibility requirement described by Subsection (b).

SECTION 2. Section 56.304(a), Education Code, is 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 established [as ded by the coordinating board under Section 56.3031;
(4) be enrolled in a baccalaureate degree 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 12 th 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.

SECTION 3. Section 56.3041(a), Education Code, is amended to read as follows:
(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 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), (C), or (D) as follows:
(A) be a graduate of $a$ public or accredited private high school in this state who completed the foundation high school program established under Section 28.025 or its equivalent and have accomplished any two or more of the following:
(i) 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 qualification for an exemption as described by

(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 or at least one advanced career and technical or technology applications course;
(B) have received an associate degree from a public or private institution of higher education;
(C) be an undergraduate student who has:
(i) previously attended another institution of higher education;
(ii) received an initial Texas Educational Opportunity Grant under Subchapter P for the 2014 fall semester or a subsequent academic term;
(iii) completed at least 24 semester credit hours at any institution or institutions of higher education; and
(iv) earned an overall grade point average of at least 2.5 on a four-point scale or the equivalent on all course work previously attempted; or
(D) 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 under Section 56.3031;
(4) be enrolled in an undergraduate degree or certificate program at an eligible institution;
(5) except as provided under rules adopted under Section $56.304(\mathrm{~h})$, 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 16 th 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 institution not later than 12 months after being honorably discharged from military service;
(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 12 th month after the calendar month in which the person received an associate degree from a public or private institution of higher education; or
(D) an undergraduate student described by Subdivision (2)(C) who has never previously received a TEXAS grant;
(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.

SECTION 4. 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 established [dind by the coordinating board under Section 56.3031;
(2) is enrolled in a baccalaureate degree 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 degree; and
(5) complies with any additional nonacademic requirement adopted by the coordinating board.

SECTION 5. The change in law made by this Act in adding Section 56.3031, Education Code, applies beginning with initial or subsequent TEXAS grants awarded for the 2017 fall semester. Initial or subsequent TEXAS grants awarded for a semester or term before the 2017 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.

SECTION 6. 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, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

