

By: Seliger

S.B. No. 885

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 56.303(f), Education Code, is amended to read as follows:

(f) Beginning with TEXAS grants awarded for the 2013-2014 academic year, in determining who should receive an initial TEXAS grant, each eligible 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)(1)(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 institution shall make awards to other students who meet the eligibility criteria described by Section 56.3043(a)(1)(A) [~~56.304(a)(2)(A)~~], provided that the institution continues to give priority to students as provided by Subsection (e).

SECTION 2. The heading to Section 56.304, Education Code, is amended to read as follows:

Sec. 56.304. GENERAL [~~INITIAL~~] ELIGIBILITY FOR GRANT.

SECTION 3. Sections 56.304(a), (e-1), and (h), Education Code, are amended to read as follows:

(a) To be eligible [~~initially~~] for a TEXAS grant, a person

1 ~~[who graduated from high school before May 1, 2013,~~] must:

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

4 (2) ~~[meet either of the following academic~~
5 ~~requirements:~~

6 ~~[(A) be a graduate of a public or accredited~~
7 ~~private high school in this state who graduated not earlier than the~~
8 ~~1998-1999 school year and who completed the recommended or advanced~~
9 ~~high school curriculum established under Section 28.002 or 28.025~~
10 ~~or its equivalent; or~~

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

14 ~~[(3)]~~ meet financial need requirements as defined by
15 the coordinating board;

16 (3) ~~[(4)]~~ be enrolled in a baccalaureate degree
17 program at an eligible institution;

18 (4) subject to Sections 56.3041(a)(2) and
19 56.3043(a)(2), be enrolled in at least three-fourths of a full
20 course load for an undergraduate student, as determined by the
21 coordinating board ~~[(5) be enrolled as:~~

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

27 ~~[(B) an entering student for at least~~

1 ~~three-fourths of a full course load for an undergraduate student as~~
2 ~~determined by the coordinating board, not later than the 12th month~~
3 ~~after the month the person receives an associate degree from a~~
4 ~~public or private institution of higher education];~~

5 (5) [~~(6)~~] have applied for any available financial aid
6 or assistance; and

7 (6) [~~(7)~~] comply with any additional nonacademic
8 requirement adopted by the coordinating board under this
9 subchapter.

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

15 (1) the fifth anniversary of the initial award of a
16 TEXAS grant to the person, if the person is enrolled in a degree
17 program of four years; or

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

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

1 performance, to receive a TEXAS grant while enrolled in a number of
2 semester credit hours that is less than the number of semester
3 credit hours required under Subsection (a)(4) [~~(a)(5)~~] or Section
4 56.3041(a)(2) or 56.3043(a)(2) [~~56.3041(5)~~], as applicable. The
5 coordinating board may not allow a person to receive a TEXAS grant
6 while enrolled in fewer than six semester credit hours.

7 SECTION 4. Section 56.3041, Education Code, is amended to
8 read as follows:

9 Sec. 56.3041. ADDITIONAL REQUIREMENTS REGARDING INITIAL
10 ELIGIBILITY [~~OF PERSON GRADUATING FROM HIGH SCHOOL ON OR AFTER MAY~~
11 ~~1, 2013~~]. (a) In addition to the requirements under Section 56.304
12 and except as provided by Section 56.3043, to [~~to~~] be eligible
13 initially for a TEXAS grant, a person graduating from high school
14 [~~on or after May 1, 2013,~~] and enrolling in an eligible institution
15 must:

16 (1) [~~be a resident of this state as determined by~~
17 ~~coordinating board rules,~~

18 [~~(2)~~] meet the academic requirements prescribed by
19 Paragraph (A), (B), (C), or (D) as follows:

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

24 (i) successful completion of the course
25 requirements of the international baccalaureate diploma program or
26 earning of the equivalent of at least 12 semester credit hours of
27 college credit in high school through courses described in Sections

1 28.009(a)(1), (2), and (3);

2 (ii) satisfaction of the Texas Success
3 Initiative (TSI) college readiness benchmarks prescribed by the
4 coordinating board under Section 51.3062(f) on any assessment
5 instrument designated by the coordinating board under Section
6 51.3062(c) or qualification for an exemption as described by
7 Section 51.3062(p), (q), ~~(q-1)~~, or (q-2);

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

12 (iv) completion for high school credit of
13 at least one advanced mathematics course following the successful
14 completion of an Algebra II course or at least one advanced career
15 and technical or technology applications course;

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

18 (C) be an undergraduate student who has:

19 (i) previously attended another
20 institution of higher education;

21 (ii) received an initial Texas Educational
22 Opportunity Grant under Subchapter P for the 2014 fall semester or a
23 subsequent academic term;

24 (iii) completed at least 24 semester credit
25 hours at any institution or institutions of higher education; and

26 (iv) earned an overall grade point average
27 of at least 2.5 on a four-point scale or the equivalent on all

1 course work previously attempted; or

2 (D) if sufficient money is available, meet the
3 eligibility criteria described by Section 56.3043(a)(1)(A)
4 [~~56.304(a)(2)(A)~~]; and

5 (2) [~~(3) meet financial need requirements established~~
6 ~~by the coordinating board;~~

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

9 [~~(5)~~] except as provided under rules adopted under
10 Section 56.304(h), be enrolled as:

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

15 (B) an entering undergraduate student who
16 entered military service not later than the first anniversary of
17 the date the person graduated from high school and who enrolled for
18 at least three-fourths of a full course load, as determined by the
19 coordinating board, at the eligible institution not later than 12
20 months after being honorably discharged from military service;

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

26 (D) an undergraduate student described by
27 Subdivision (1)(C) [~~(2)(C)~~] who has never previously received a

1 TEXAS grant[+]

2 [~~(6) have applied for any available financial aid or~~
3 ~~assistance, and~~

4 [~~(7) comply with any additional nonacademic~~
5 ~~requirements adopted by the coordinating board under this~~
6 ~~subchapter].~~

7 (b) For purposes of Subsection (a)(1)(A) [~~(a)(2)(A)~~], a
8 student who graduated under the recommended or advanced high school
9 program is considered to have successfully completed the curriculum
10 requirements of Section 51.803(a)(2)(A)(i). This subsection
11 expires September 1, 2020.

12 SECTION 5. Sections 56.3042(a), (a-1), (c), and (d),
13 Education Code, are amended to read as follows:

14 (a) If at the time an eligible institution awards TEXAS
15 grants to initial recipients for an academic year an applicant has
16 not completed high school or the applicant's final high school
17 transcript is not yet available to the institution, the student is
18 considered to have satisfied the eligibility requirements of
19 Section 56.3041(a)(1)(A) [~~56.304(a)(2)(A) or 56.3041(2)(A)~~] if the
20 student's available high school transcript indicates that at the
21 time the transcript was prepared the student was on schedule to
22 graduate from high school and to meet the eligibility requirements,
23 as applicable to the student, in time to be eligible for a TEXAS
24 grant for the academic 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 56.3041(a)(1)(B)
4 [~~56.304(a)(2)(B) or 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 (c) A person who is required to forgo or repay the amount of
10 an initial TEXAS grant under Subsection (b) may subsequently become
11 eligible to receive an initial TEXAS grant only [~~under Section~~
12 ~~56.304 or 56.3041~~] by satisfying the associate degree requirement
13 prescribed by Section 56.3041(a)(1)(B) [~~56.304(a)(2)(B) or~~
14 ~~56.3041(2)(B)~~] and the other requirements of that section and
15 Section 56.304 [~~those sections~~] applicable to the person at the
16 time the person reapplies for the initial grant.

17 (d) A person who receives an initial TEXAS grant under
18 Subsection (a) or (a-1) but does not satisfy the applicable
19 eligibility requirement that the person was considered to have
20 satisfied under the applicable subsection and who is not required
21 to forgo or repay the amount of the grant under Subsection (b) may
22 become eligible to receive a subsequent TEXAS grant [~~under Section~~
23 ~~56.305~~] only by satisfying the associate degree requirement
24 prescribed by Section 56.3041(a)(1)(B) [~~56.304(a)(2)(B) or~~
25 ~~56.3041(2)(B), as applicable to the person,~~] in addition to the
26 requirements of Sections 56.304 and [~~Section~~] 56.305 applicable to
27 the person at the time the person applies for the subsequent grant.

1 SECTION 6. Subchapter M, Chapter 56, Education Code, is
2 amended by adding Section 56.3043 to read as follows:

3 Sec. 56.3043. ADDITIONAL REQUIREMENTS REGARDING INITIAL
4 ELIGIBILITY OF PERSON GRADUATING FROM HIGH SCHOOL BEFORE MAY 1,
5 2013. (a) In addition to the requirements under Section 56.304, to
6 be eligible initially for a TEXAS grant, a person who graduated from
7 high school before May 1, 2013, must:

8 (1) meet either of the following academic
9 requirements:

10 (A) be a graduate of a public or accredited
11 private high school in this state who graduated not earlier than the
12 1998-1999 school year and who completed the recommended or advanced
13 high school curriculum established under Section 28.002 or 28.025
14 or its equivalent; or

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

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

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

25 (B) an entering student for at least
26 three-fourths of a full course load for an undergraduate student,
27 as determined by the coordinating board, not later than the 12th

1 month after the month the person received an associate degree from a
2 public or private institution of higher education.

3 (b) The requirement in Subsection (a)(1)(A) that a person
4 must have completed the recommended or advanced high school
5 curriculum does not apply to a person who:

6 (1) attended a public high school in a school district
7 that certifies to the commissioner of education that the high
8 school did not offer all the necessary courses for a person to
9 complete all parts of the recommended or advanced high school
10 curriculum; and

11 (2) completed all courses at the high school offered
12 toward the completion of the recommended or advanced high school
13 curriculum.

14 (c) Not later than March 1 of each year, the commissioner of
15 education shall provide to the coordinating board a list of all the
16 public high schools that do not offer all the courses necessary to
17 complete all parts of the recommended or advanced high school
18 curriculum as described by Subsection (b)(1).

19 SECTION 7. Section 56.3045(b), Education Code, is amended
20 to read as follows:

21 (b) Provided that the person meets the requirements
22 described by Sections 56.304 and ~~Section~~ 56.305(a), a person to
23 whom this section applies is eligible to receive an initial TEXAS
24 grant in any academic year in which funding is sufficient to award
25 initial TEXAS grants to eligible applicants for that year. The
26 person's eligibility for an initial TEXAS grant under this section
27 is not affected by:

1 (1) the period for which the person has been enrolled
2 at an eligible institution; or

3 (2) any statutory changes to the eligibility
4 requirements for initial TEXAS grants that are enacted after the
5 person first established eligibility for an initial TEXAS grant as
6 described by Subsection (a)(1).

7 SECTION 8. The heading to Section 56.305, Education Code,
8 is amended to read as follows:

9 Sec. 56.305. CONTINUING ELIGIBILITY [~~AND ACADEMIC~~
10 ~~PERFORMANCE REQUIREMENTS~~].

11 SECTION 9. Sections 56.305(a), (c), (e-1), and (g),
12 Education Code, are amended to read as follows:

13 (a) After initially qualifying for a TEXAS grant, a person
14 may continue to receive a TEXAS grant during each semester or term
15 in which the person is enrolled at an eligible institution only if,
16 in addition to the requirements under Section 56.304, the person[+

17 ~~(1) meets financial need requirements as defined by~~
18 ~~the coordinating board,~~

19 ~~(2) is enrolled in a baccalaureate degree program at~~
20 ~~an eligible institution,~~

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

24 ~~(4)]~~ makes satisfactory academic progress toward a
25 baccalaureate degree[, and

26 ~~(5) complies with any additional nonacademic~~
27 ~~requirement adopted by the coordinating board].~~

1 (c) If a person fails to meet any of the requirements of
2 Subsection (a) and Section 56.304(a) after the completion of any
3 semester or term, the person may not receive a TEXAS grant during
4 the next semester or term in which the person enrolls. A person may
5 become eligible to receive a TEXAS grant in a subsequent semester or
6 term if the person:

7 (1) completes a semester or term during which the
8 student is not eligible for a scholarship; and

9 (2) meets all the requirements of Subsection (a) and
10 Section 56.304(a).

11 (e-1) For purposes of this section, a person [~~who is~~
12 ~~initially awarded a TEXAS grant during or after the 2005 fall~~
13 ~~semester~~] makes satisfactory academic progress toward an
14 undergraduate degree or certificate only if:

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

18 (2) in a subsequent academic year, the person:

19 (A) completed at least 24 semester credit hours
20 in the student's most recent academic year; and

21 (B) has earned an overall grade point average of
22 at least 2.5 on a four-point scale or the equivalent on coursework
23 previously attempted at institutions of higher education.

24 (g) The coordinating board shall adopt rules to allow a
25 person who is otherwise eligible to receive a TEXAS grant, in the
26 event of a hardship or for other good cause shown, including a
27 showing of a severe illness or other debilitating condition that

1 may affect the person's academic performance or that the person is
2 responsible for the care of a sick, injured, or needy person and
3 that the person's provision of care may affect the person's academic
4 performance, to receive a TEXAS grant[+]

5 ~~[(1) while enrolled in a number of semester credit~~
6 ~~hours that is less than the number of semester credit hours required~~
7 ~~under Subsection (a)(3); or~~

8 [(2)] if the student's grade point average or the
9 student's completion rate or number of semester credit hours
10 completed, as applicable, falls below the satisfactory academic
11 progress requirements of Subsection [~~(e) or~~] (e-1).

12 SECTION 10. Section 56.306, Education Code, is amended to
13 read as follows:

14 Sec. 56.306. GRANT USE. A person receiving a TEXAS grant
15 may use the money to pay tuition and required fees [~~any usual and~~
16 ~~customary cost of attendance~~] at an eligible institution incurred
17 by the student. The institution may not disburse any [~~all or~~] part
18 of the proceeds of a TEXAS grant directly to an eligible person
19 [~~only if the tuition and required fees incurred by the person at the~~
20 ~~institution have been paid~~].

21 SECTION 11. Section 56.307, Education Code, is amended by
22 amending Subsections (a), (f), (i-1), and (j) and adding
23 Subsections (b) and (j-1) to read as follows:

24 (a) The maximum amount of a TEXAS grant for a semester or
25 term for a person enrolled [~~full-time~~] at an eligible institution
26 is an amount not to exceed the lesser of:

27 (1) the difference between:

1 (A) the amount of tuition and required fees
2 incurred by the person for that semester or term at the institution
3 awarding the grant; and

4 (B) the amount of the Pell Grant for which the
5 person is eligible, if any; or

6 (2) the person's unmet financial need for that
7 semester or term [~~determined by the coordinating board as the~~
8 ~~average statewide amount of tuition and required fees that a~~
9 ~~resident student enrolled full-time in a baccalaureate degree~~
10 ~~program would be charged for that semester or term at general~~
11 ~~academic teaching institutions].~~

12 (b) For purposes of Subsection (a)(1), if the amount of a
13 person's Pell Grant exceeds the amount of tuition and required fees
14 for a semester or term, the person is not eligible to receive a
15 TEXAS grant for that semester or term.

16 (f) Except as otherwise provided by this subsection, the
17 [The] amount of a TEXAS grant may not be reduced by any gift aid,
18 other than a Pell Grant, for which the person receiving the grant is
19 eligible. If [~~, unless~~] the total amount of a person's grant plus
20 any gift aid received exceeds the person's [~~student's~~] financial
21 need, the amount of the grant shall be reduced so that the total
22 amount of the person's grant plus any gift aid received equals the
23 person's financial need.

24 (i-1) A public institution of higher education may elect to
25 award a TEXAS grant to any student in an amount that is less than the
26 applicable amount established under Subsection (a) [~~or (e)~~].

27 (j) A public institution of higher education shall use other

1 available sources of financial aid, other than a loan or work study,
2 to cover any difference in the amount of a TEXAS grant awarded to
3 the student and the actual amount of tuition and required fees at
4 the institution if the difference results from:

5 (1) a reduction in the amount of a TEXAS grant under
6 Subsection (i-1); or

7 (2) a deficiency in the amount of the grant as
8 established under Subsection (a) [~~or (e), as applicable,~~] to cover
9 the full amount of tuition and required fees charged to the student
10 by the institution.

11 (j-1) A public institution of higher education is exempted
12 from the requirements under Subsection (j) for any person who did
13 not receive a priority for the award under Section 56.303(e).

14 SECTION 12. Sections 56.308(b) and (d), Education Code, are
15 amended to read as follows:

16 (b) Each school district shall:

17 (1) notify its middle school students, junior high
18 school students, and high school students, those students' teachers
19 and school counselors, and those students' parents of the TEXAS
20 grant program [~~and Teach for Texas grant programs~~], the eligibility
21 requirements of the [~~each~~] program, the need for students to make
22 informed curriculum choices to be prepared for success beyond high
23 school, and sources of information on higher education admissions
24 and financial aid in a manner that assists the district in
25 implementing a strategy adopted by the district under Section
26 11.252(a)(4); and

27 (2) ensure that each student's official transcript or

1 diploma indicates whether the student has completed or is on
2 schedule to complete:

3 (A) the recommended or advanced high school
4 curriculum required for grant eligibility under Section 28.002 or
5 28.025; or

6 (B) for a school district covered by Section
7 56.3043(b)(1) [~~56.304(f)(1)~~], the required portion of the
8 recommended or advanced high school curriculum in the manner
9 described by Section 56.3043(b)(2) [~~56.304(f)(2)~~].

10 (d) In addition to the eligibility requirements of Sections
11 [~~Section~~] 56.304, 56.3041, and 56.3043, a person who graduated from
12 an accredited private high school is eligible to receive a grant
13 under this subchapter only if the student's official transcript or
14 diploma includes the information required as provided by
15 Subsections (b)(2)(A) and (c).

16 SECTION 13. Sections 56.311(a), (b), (c), (c-1), (e), and
17 (g), Education Code, are amended to read as follows:

18 (a) The Legislative Oversight Committee on the TEXAS grant
19 program [~~and Teach for Texas grant program~~] is composed of six
20 members as follows:

21 (1) three members of the senate appointed by the
22 lieutenant governor; and

23 (2) three members of the house of representatives
24 appointed by the speaker of the house of representatives.

25 (b) The committee shall:

26 (1) meet at least twice a year with the coordinating
27 board; and

1 (2) receive information regarding rules relating to
2 the TEXAS grant program [~~and Teach for Texas grant program~~] that
3 have been adopted by the coordinating board or proposed for
4 adoption by the coordinating board.

5 (c) The committee may request reports and other information
6 from the coordinating board relating to the operation of the TEXAS
7 grant program [~~and Teach for Texas grant program~~] by the
8 coordinating board.

9 (c-1) The [~~Not later than September 1 of each year, the~~]
10 coordinating board shall include in its annual report to the
11 legislature on financial aid in this state [~~provide~~] a report to the
12 committee regarding the operation of the TEXAS grant program,
13 including information from the three preceding state fiscal years
14 as follows:

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

17 (2) the number of TEXAS grants awarded to students
18 disaggregated by race, ethnicity, and expected family
19 contribution;

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

24 (A) [~~only the eligibility criteria described by~~
25 ~~Section 56.304, or~~

26 [~~(B)~~] the eligibility criteria described by
27 Section 56.3041(a)(1)(A) [~~56.3041(2)(A)~~]; or [~~and~~]

1 (B) the eligibility criteria described by
2 Section 56.3043(a)(1)(A); and

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

5 (e) The committee shall monitor the operation of the TEXAS
6 grant program [~~and Teach for Texas grant program~~], with emphasis on
7 the manner of the award of grants, the number of grants awarded, and
8 the educational progress made by persons who have received grants
9 under the program [~~those programs~~].

10 (g) The report shall include identification of any problems
11 in the TEXAS grant program [~~and Teach for Texas grant program~~] with
12 recommended solutions for the coordinating board and for
13 legislative action.

14 SECTION 14. The following sections of the Education Code
15 are repealed:

- 16 (1) Section 56.303(d-1);
17 (2) Sections 56.304(e), (f), and (g);
18 (3) Sections 56.305(b), (d), and (e);
19 (4) Sections 56.307(d-1), (e), and (g); and
20 (5) Section 56.3071.

21 SECTION 15. The changes in law made by this Act apply
22 beginning with initial or subsequent TEXAS grants awarded for the
23 2018 fall semester. Initial or subsequent TEXAS grants awarded for
24 a semester or term before the 2018 fall semester are governed by the
25 applicable law in effect immediately before the effective date of
26 this Act, and the former law is continued in effect for that
27 purpose.

1 SECTION 16. This Act takes effect immediately if it
2 receives a vote of two-thirds of all the members elected to each
3 house, as provided by Section 39, Article III, Texas Constitution.
4 If this Act does not receive the vote necessary for immediate
5 effect, this Act takes effect September 1, 2017.