BILL ANALYSIS

Senate Research Center

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 3, passed in the 86th Regular Session, included a provision in the Texas Education Code which requires students to complete a free application for federal student aid (FAFSA) or a Texas application for state financial aid (TASFA) in order to graduate from high school. While this section allows for the student's parent to submit an opt-out form declining to complete the application, the section does not specifically require the form, or even knowledge of the ability to opt-out, be made available to either the student or their parent. Many students and their parents are aware in advance they will not qualify for any type of aid. Others who do not intend to attend college may find completing the FAFSA form to be an inefficient use of time and resources.

S.B. 369 requires that the opt-out form adopted by school districts or open-enrollment charter schools provide the student or the student's parent or other person standing in parental relation the opportunity to decline to complete and submit a financial aid application. S.B. 369 also prohibits a school counselor from indicating that a student has not complied with the requirement if the school district or open-enrollment charter school fails to provide the form to the student or the student's parent or other person standing in parental relation to the student.

(Original Author's / Sponsor's Statement of Intent)

S.B. 369 amends current law relating to the requirement to submit a financial aid application as a condition of high school graduation for public school students.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the commissioner of education is modified in SECTION 1 (Section 28.0256, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 28.0256(a), (c), (d), and (e), Education Code, as follows:

(a) Requires each student, before graduating from high school, to complete and submit a free application for federal student aid (FAFSA) or a Texas application for state financial aid (TASFA), except as otherwise provided by Subsection (b) (relating to certain exemptions from the requirement to apply for financial aid).

(c) Requires that the form a school district or open-enrollment charter school is required to adopt to be used for purposes of Subsection (b) provide the student or the student's parent or other person standing in parental relation, as applicable, the opportunity to decline to complete and submit a financial aid application, as provided by Subsection (b). Makes nonsubstantive changes.

(d) Provides that if a school counselor notifies a school district or open-enrollment charter school, rather than a school district, whether a student has complied with Section 28.0256 (Financial Aid Application Requirement for High School Graduation) for purposes of determining whether the student meets high school graduation requirements under Section 28.025 (High School Diploma and Certificate; Academic Achievement Record), the school counselor is authorized to only indicate whether the student has

complied with Section 28.0256 and is prohibited from indicating the manner in which the student complied, except as necessary for the district or school to comply with rules adopted under Subsection (e)(2). Prohibits a school counselor from indicating that a student has not complied with Section 28.0256 if the school district or open-enrollment charter school fails to provide the form adopted under Subsection (c) to the student or the student's parent or other person standing in parental relation to the student.

(e) Requires the commissioner of education to adopt rules as necessary to implement Section 28.0256, including rules to:

(1) makes no changes to this subdivision;

(2) require each school district and open-enrollment charter school, rather than each school district, to report to the Texas Education Agency the number of students who completed and submitted a financial aid application under Subsection (a) and the number of students who received an exception from complying with Subsection (a) under Subsection (b); and

(3) makes no changes to this subdivision.

SECTION 2. Provides that this Act applies beginning with the 2021-2022 school year.

SECTION 3. Effective date: upon passage or September 1, 2021.