

By: Talarico

H.B. No. 5299

A BILL TO BE ENTITLED

AN ACT

relating to the establishment of the Texas Promise Grant Program for certain students at two-year public institutions of higher education.

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

SECTION 1. Chapter 56, Education Code, is amended by adding Subchapter V to read as follows:

SUBCHAPTER V. TEXAS PROMISE GRANT PROGRAM

Sec. 56.651. DEFINITIONS. In this subchapter:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "Eligible institution" means:

(A) a public junior college;

(B) a public technical institute; or

(C) a public state college.

(3) "Program" means the Texas Promise Grant Program established under this subchapter.

(4) "Public junior college," "public technical institute," and "public state college" have the meanings assigned by Section 61.003.

Sec. 56.652. PROGRAM PURPOSE. The purpose of the Texas Promise Grant Program is to provide:

(1) assistance in the payment of tuition and mandatory fees to enable eligible students to attend two-year institutions of

1 higher education; and

2 (2) an incentive for eligible students to complete an
3 associate degree or certificate program at two-year institutions of
4 higher education.

5 Sec. 56.653. ADMINISTRATION OF PROGRAM; AWARD OF GRANT AND
6 INCENTIVE BONUS. (a) The coordinating board shall administer the
7 program and adopt any rules necessary to implement the program or
8 this subchapter. The coordinating board shall consult with the
9 student financial aid officers of eligible institutions in
10 developing the rules.

11 (b) The coordinating board shall award a grant and incentive
12 bonus to each eligible student under the program.

13 Sec. 56.654. INITIAL ELIGIBILITY FOR GRANT. (a) To be
14 eligible initially for a grant under the program, a person must:

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

17 (2) have graduated from high school or received a high
18 school equivalency certificate within the last three years;

19 (3) be enrolled in an associate degree or certificate
20 program at an eligible institution;

21 (4) be enrolled as an entering student for at least
22 one-half of a full course load for an entering student in the
23 associate degree or certificate program, as determined by the
24 coordinating board;

25 (5) have applied for any available financial aid or
26 assistance; and

27 (6) comply with any additional nonacademic or

nonfinancial requirement adopted by the coordinating board under this subchapter.

(b) A person is not eligible to receive a grant under the program if the person has:

(1) been granted:

(A) a certificate for completion of a certificate program; or

(B) an associate or baccalaureate degree; or

(2) completed more than 90 semester credit hours or the equivalent at an institution of higher education, excluding semester credit hours or the equivalent earned for a dual credit course.

(c) A person may not receive a grant under the program for more than 75 semester credit hours or the equivalent.

(d) A person's eligibility for a grant under the program ends on the third anniversary of the initial award of a grant under the program to the person and the person's enrollment in an eligible institution.

Sec. 56.655. CONTINUING ELIGIBILITY AND ACADEMIC PERFORMANCE REQUIREMENTS. (a) After initially qualifying for a grant under the program, a person may continue to receive a grant under the program during each semester or term in which the person is enrolled at an eligible institution only if the person:

(1) is enrolled in an associate degree or certificate program at an eligible institution;

(2) is enrolled for at least one-half of a full course load for a student in an associate degree or certificate program, as

determined by the coordinating board;

(3) makes satisfactory academic progress toward an associate degree or certificate; and

(4) complies with any additional nonacademic or nonfinancial requirement adopted by the coordinating board.

(b) If a person fails to meet any of the requirements of Subsection (a) after the completion of any semester or term, the person may not receive a grant under the program during the next semester or term in which the person enrolls. A person may become eligible to receive a grant under the program in a subsequent semester or term if the person:

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

(2) meets all the requirements of Subsection (a).

(c) For the purpose of this section, a person makes satisfactory academic progress toward an associate degree or certificate only if:

(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

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

(A) completes at least 75 percent of the semester credit hours or the equivalent attempted in the person's most recent academic year; and

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

1 (d) A person who is eligible to receive a grant under the
2 program continues to remain eligible to receive the grant if the
3 person enrolls in or transfers to another eligible institution.

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

13 (1) while enrolled in a number of semester credit
14 hours that is less than the number of semester credit hours or the
15 equivalent required under Subsection (a)(2); or

16 (2) if the student's grade point average or completion
17 rate falls below the satisfactory academic progress requirements of
18 Subsection (c).

19 Sec. 56.656. GRANT USE. A grant awarded under the program
20 must be applied first to the payment of tuition and mandatory fees
21 at an eligible institution.

22 Sec. 56.657. GRANT AMOUNT. (a) The amount of a grant
23 awarded to an eligible student under the program for a semester or
24 other academic term in which the student is enrolled at an eligible
25 institution is an amount not to exceed the greater of:

26 (1) the difference between the amount of tuition and
27 mandatory fees charged to the student by the institution for that

1 semester or term and the amount of any other gift aid, including
2 state or federal grants or scholarships, awarded to the student for
3 that semester or term; or

4 (2) \$1,000.

5 (b) The coordinating board may adopt rules that allow the
6 coordinating board to decrease, in proportion to the number of
7 semester credit hours or the equivalent in which a student is
8 enrolled, the amount of a grant award under Subsection (a)(2) to a
9 student who is enrolled in less than a full course load for a
10 student in an associate degree or certificate program, as
11 determined by the coordinating board.

12 (c) A grant may not be awarded under the program to an
13 eligible student for a semester or other academic term until any
14 other gift aid for which the student is eligible has been awarded to
15 the student and the amount of tuition and mandatory fees owed by the
16 student has been established for purposes of determining the
17 appropriate amount of the student's grant under Subsection (a).

18 (d) The coordinating board shall issue to each eligible
19 student a certificate indicating the amount of the grant awarded to
20 the student.

21 Sec. 56.658. INCENTIVE BONUS. (a) A student receiving a
22 grant under the program is eligible to receive an incentive bonus on
23 completion of the student's associate degree or certificate program
24 at an eligible institution.

25 (b) The amount of an incentive bonus awarded under this
26 section is \$1,000.

27 Sec. 56.659. NOTIFICATION OF PROGRAM; RESPONSIBILITIES OF

1 SCHOOL DISTRICTS. (a) The coordinating board, in consultation
2 with all eligible institutions, shall prepare materials designed to
3 inform prospective students, their parents, and high school
4 counselors about the program and eligibility for a grant and
5 incentive bonus under the program. The coordinating board shall
6 distribute to each eligible institution and to each school district
7 a copy of the materials prepared under this section.

8 (b) Each school district shall notify its high school
9 students, those students' teachers and school counselors, and those
10 students' parents or guardians of the program and the eligibility
11 requirements of the program.

12 SECTION 2. (a) The Texas Higher Education Coordinating
13 Board shall adopt rules to administer Subchapter V, Chapter 56,
14 Education Code, as added by this Act, as soon as practicable after
15 the effective date of this Act. For that purpose, the coordinating
16 board may adopt the initial rules in the manner provided by law for
17 emergency rules.

18 (b) The Texas Higher Education Coordinating Board shall
19 begin awarding grants and incentive bonuses under Subchapter V,
20 Chapter 56, Education Code, as added by this Act, for the first
21 academic year for which money is appropriated for that purpose,
22 except that the coordinating board may not award grants or
23 incentive bonuses under that subchapter for an academic year before
24 the 2026-2027 academic year.

25 SECTION 3. This Act takes effect immediately if it receives
26 a vote of two-thirds of all the members elected to each house, as
27 provided by Section 39, Article III, Texas Constitution. If this

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1 Act does not receive the vote necessary for immediate effect, this
2 Act takes effect September 1, 2025.