5/25/2021

SUBJECT: Establishing early high school graduation and scholarship programs

COMMITTEE: Higher Education — favorable, without amendment

VOTE: 9 ayes — Murphy, Pacheco, Cortez, P. King, Ortega, Parker, Raney,

C. Turner, J. Turner

0 nays

2 absent — Frullo, Muñoz

SENATE VOTE: On final passage, April 29 — 30-1 (Hughes), on Local and Uncontested

Calendar.

WITNESSES: For — (*Registered*, but did not testify:; Gilbert Zavala, The Greater Austin

Chamber of Commerce; Robert Norris)

Against — None

On — Harrison Keller, Texas Higher Education Coordinating Board

BACKGROUND: It has been suggested that the state's economy and workforce may benefit

from encouraging Texas' highest performing students to remain in the state for postsecondary education. Some have called for providing scholarships for students who demonstrate college readiness to attend higher education institutions in the state upon early graduation from high

school.

DIGEST: SB 1888 would require the Texas Education Agency (TEA) to establish,

in coordination with the Texas Higher Education Coordinating Board (THECB), the Texas First Early High School Completion Program to allow public high school students who demonstrate early readiness for college to graduate early from high school. The bill also would establish

the Texas First Scholarship program under THECB.

The joint purpose of these programs would be to promote efficiency in the

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state public education system and incentivize the enrollment of high performing students at eligible institutions. These programs would replace the existing pilot program for high school diplomas for students who demonstrate early readiness for college and the Early High School Graduation Scholarship program, respectively.

Texas First Early High School Completion Program. THECB, in consultation with TEA and eligible institutions, would be required to establish program standards by rule. A school district or open-enrollment charter school could issue a high school diploma to a student who demonstrated early readiness for college in each applicable subject according to the program standards, and in a language other then English. A student would be able to apply for admission to a higher education institution for the first semester or term after earning an early diploma under the program. The student would not be guaranteed admission solely on the basis of having received the diploma through the program.

On a student's initial enrollment in high school in a school district or open-enrollment charter school, the district or school would have to provide to the student and the student's parent or guardian information regarding the requirements to earn a high school diploma under the program and the Texas First Scholarship Program established by the bill.

Texas First Scholarship Program. To be eligible for an award under the program, a student would have to:

- be a resident of this state as determined by THECB rules;
- have graduated early from high school under the Texas First Early High School Completion Program; and
- comply with certain financial aid application requirements.

A student who graduated from high school two or more semesters or the equivalent earlier than the student's high school cohort would receive the maximum annual TEXAS grant award determined by THECB for the applicable academic year. A student who graduated from high school less than two semesters or the equivalent early would receive half that amount.

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State credit awarded to a student under the program would expire at the end of the first academic year following the student's graduation from high school.

At least annually, THECB would have to submit to the education commissioner a report including:

- the name of each student who used the state credit under the program during that academic year;
- the school district or open-enrollment charter school from which each student graduated from high school; and
- the amount of the state credit used by each student during that academic year.

As soon as practicable after receiving the report, the commissioner would be required to reduce the entitlement amounts of school districts and charter schools as applicable and transfer the appropriate funds to THECB, which would distribute them to each higher education institution that had applied state credit under the program in the preceding academic year.

THECB would begin awarding scholarships under the program beginning with the 2021-2022 academic year.

TEA and THECB would have to take all steps necessary to implement the bill's provisions as soon as practicable after its effective date. The agency and board would be required to implement the bill's provisions only if the Legislature appropriated money specifically for that purpose. Otherwise TEA and THECB could, but would not be required to, implement the bill using other available appropriations.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2021.

NOTES: According to the Legislative Budget Board, the fiscal implications of the

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bill cannot be determined because it is unknown how many students would graduate early from high school under the Texas First Early High School Completion Program and enroll in an eligible institution under the Texas First Scholarship Program.