

BILL ANALYSIS

Senate Research Center
2001S0779/1

S.B. 1596
By: Bivins
Education
3/20/2001
As Filed

DIGEST AND PURPOSE

In 1999, the 76th Legislature established the TEXAS Grant program to provide grant money to enable certain well-prepared students to attend public and private institutions of higher education. While students at community and technical colleges make up 46 percent of higher education enrollment, approximately 30 percent of TEXAS Grant awards were made to these students. As proposed, S.B. 1596 established the TEXAS Grant II program to provide grant money to community and technical college students who are not eligible for the TEXAS Grant program.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Sections 56.403 and 56.407, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 56, Education Code, by adding Subchapter N, as follows:

SUBCHAPTER N. TOWARD EXCELLENCE, ACCESS, & SUCCESS (TEXAS) GRANT II PROGRAM

Sec. 56.401. DEFINITIONS. Defines “coordinating board,” “eligible institution,” “public junior college,” and “public technical institute.”

Sec. 56.402. PROGRAM NAME. Provides that the student financial assistance program authorized by this subchapter is known as the Toward Excellence, Access, & Success (TEXAS) grant II program (program), and an individual grant awarded under this subchapter is known as a TEXAS grant II (grant). Sets forth the purpose of this subchapter.

Sec. 56.403. ADMINISTRATION OF PROGRAM. Requires the Texas Higher Education Coordinating Board (board) to administer the program and adopt any rules necessary to implement the program or this subchapter. Requires the board to consult with the student financial aid officers of eligible institutions in developing the rules. Requires the board to adopt rules to provide a grant to an eligible student enrolled in an eligible institution in a manner consistent with the administration of federal student financial aid programs. Prohibits the total amount of grants awarded from exceeding the amount available for the program from certain funds. Requires the board and eligible institutions, in determining who should receive a grant, to give highest priority to awarding grants to students who demonstrate the greatest financial need.

Sec. 56.404. INITIAL ELIGIBILITY FOR GRANT. Sets forth the eligibility requirements for a grant. Provides that a person who has been convicted of a felony or an offense under Chapter 481 (Texas Controlled Substances Act), Health and Safety Code, or under the law of another jurisdiction involving a controlled substance as defined by Chapter 481, Health and Safety Code, is not eligible to receive a grant unless certain conditions are met. Provides that a person who has been granted an associate or baccalaureate degree is not eligible to receive a

grant. Prohibits a person from receiving a grant for more than 75 semester credit hours, or the equivalent. Prohibits a person from receiving a grant if the person is eligible for a TEXAS grant. Provides that a person's eligibility for a grant ends on the fourth anniversary of the initial award of a grant to the person and the person's enrollment in an eligible institution.

Sec. 56.405. CONTINUING ELIGIBILITY AND ACADEMIC PERFORMANCE REQUIREMENTS. (a) Authorizes a person, after initially qualifying for a grant, to continue to receive a grant during each semester or term in which the person is enrolled at an eligible institution under certain circumstances.

(b) Provides that a person who has been convicted of a felony or an offense under Chapter 481, Health and Safety Code, or under the law of another jurisdiction involving a controlled substance as defined by Chapter 481, Health and Safety Code, is not eligible to continue receiving a grant unless certain conditions are met.

(c) Prohibits a person from receiving a grant during the next semester or term in which the person enrolls if the person fails to meet any requirements of Subsection (a) after the completion of any semester or term. Authorizes a person to become eligible for a grant in a subsequent semester or term under certain conditions.

(d) Sets forth, for the purposes of this section, the standards for a person considered to be making satisfactory academic progress toward an associate degree or certificate.

(e) Provides that a person who is eligible to receive a grant continues to remain eligible to receive a grant if the person enrolls in or transfers to another eligible institution.

Sec. 56.406. GRANT USE. Authorizes a person receiving a grant to use the money to pay any usual and customary cost of attendance at an institution of higher education incurred by the student. Authorizes the institution to disburse all or part of the proceeds of a grant to an eligible person only if the tuition and required fees incurred by the person at the institution have been paid.

Sec. 56.407. GRANT AMOUNT. (a) Sets forth the manner in which the amount of a grant is to be determined.

(b) Authorizes the board to adopt rules that allow the board to increase or decrease, in proportion to the number of semester hours in which a student is enrolled, the amount of a grant awarded under this section to a student who is enrolled in a number of semester hours in excess of or below the number of semester hours described in Section 56.404(a)(4) or 56.405(a)(3).

(c) Prohibits the amount of a grant from being reduced by any gift aid for which the person receiving the grant is eligible unless the total amount of a person's grant plus any gift aid received exceeds the total cost of attendance at an eligible institution.

(d) Requires the board, not later than January 31 of each year, to publish the amount of the grant established by the board for the academic year beginning the next fall semester.

(e) Prohibits the total amount of grants that a student may receive in an academic year under this subchapter and under Section 61.221 from exceeding the maximum amount under Section 61.227.

(f) Prohibits an eligible institution from performing certain actions.

(g) Authorizes an institution to use other available sources of financial aid to cover any difference in the amount of a grant and the actual amount of tuition and required fees at the institution.

SECTION 2. (a) Requires scholarships under the TEXAS grant II program established under Chapter 56N, Education Code, as added by this Act, to be awarded by the board and the eligible institutions of higher education beginning with the 2001 fall semester.

(b) Requires the board, not later than July 31, 2001, to adopt the initial rules for awarding grants under the TEXAS grant II program established under Chapter 56N, Education Code, as added by this Act.

SECTION 3. Effective date: upon passage or September 1, 2001.