

BILL ANALYSIS

Senate Research Center

S.B. 28
By: Zaffirini
Higher Education
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The state does not fully fund the TEXAS grant program and often there are significant numbers of students (30 percent of those eligible) who do not receive the grant. Many of these students showed academic promise while in high school. During times of budgetary constraints, the state must decide to most efficiently use limited dollars, and this change to TEXAS grants will help to maximize state grant dollars per graduate.

This bill would establish priority criteria for the TEXAS grant program. Under this proposal, higher education institutions must prioritize students who have met one of three academic criteria: completing 12 semester credit hours of college level programs (dual credit, Advanced Placement, or International Baccalaureate) or completing the Distinguished Academic Program; completing high school with a B average or graduating in the top one-third of the student's high school class; and passing a high level mathematics course, defined as receiving a score of 70 or above in a math course higher than Algebra II. If a student meets one of these criteria, the student is placed ahead of those students who do not meet the criteria. Once an institution has provided all academically prioritized students with a TEXAS grant, it can then distribute remaining funds to need eligible yet academically ineligible students.

As proposed, S.B. 28 amends current law relating to eligibility for a TEXAS grant and to administration of the TEXAS grant program.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 3 (Section 56.3041, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 56.301(2), Education Code, to redefine "eligible institution."

SECTION 2. Amends Section 56.303, Education Code, by amending Subsection (d) and adding Subsections (e) and (f), as follows:

(d) Requires the Texas Higher Education Coordinating Board (THECB) annually, from money appropriated by the legislature for the purposes of this subchapter, to determine the allocation among eligible institutions of money available for TEXAS grants and to distribute the money accordingly. Requires THECB, in allocating available grant money among general academic teaching institutions, to ensure that each of those institutions' percentage share of the total amount of grant money allocated to general academic teaching institutions under this subsection for an academic year does not, as a result of the number of students who establish eligibility at the institution for an initial TEXAS grant under Section 56.3041(a)(2)(A), change from the institution's percentage share of the total amount allocated to those institutions under this subsection for the preceding academic year.

(e) Redesignates text of existing Subsection (d) as Subsection (e). Requires THECB and the eligible institutions, in determining who should receive a TEXAS grant, to give

priority, rather than highest priority, to awarding TEXAS grants to students who demonstrate the greatest financial need.

(f) Requires each eligible institution, beginning with TEXAS grants awarded for the 2013-2014 academic year, in determining who should receive an initial TEXAS grant, in addition to giving priority as provided by Subsection (e), to give highest priority to students who meet the eligibility criteria described by Section 56.3041(a)(2)(A). Requires an institution, if there is money available in excess of the amount required to award an initial TEXAS grant to all students meeting those criteria to make awards to other students who meet the eligibility criteria described by Section 56.304(a)(2)(A), provided that the institution continues to give priority to students as provided by Subsection (e).

SECTION 3. Amends Subchapter M, Chapter 56, Education Code, by amending Section 56.3041 and adding Section 56.3042, as follows:

Sec. 56.3041. INITIAL ELIGIBILITY OF PERSON GRADUATING FROM HIGH SCHOOL ON OR AFTER MAY 1, 2013. (a) Requires a person graduating from high school on or after May 1, 2013, to be eligible initially for a TEXAS grant, to:

- (1) be a resident of this state as determined by THECB rules;
- (2) meet the academic requirements prescribed by Paragraph (A), (B), or (C), as follows:

(A) be a graduate of a public or accredited private high school in this state who completed the recommended high school program established under Section 28.025 (High School Diploma and Certificate; Academic Achievement Record) or its equivalent and have accomplished any one or more of the following:

(i) graduation under the advanced high school program established under Section 28.025 or its equivalent, successful completion of the course requirements of the international baccalaureate diploma program, or earning of four or more credits in high school through courses described by Section 28.009(a) (relating to earning college credit in high school) (1) (relating to international baccalaureate credit), (2) (relating to articulate post secondary courses), and (3) (relating to authorizing college credit earned through any combination of Subdivision (1) and (2));

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

(iii) completion of high school credit of at least one advanced mathematics course following the successful completion of an Algebra II course, as permitted by Section 28.025(b-3) (relating to requiring a variety of curriculum courses), or least one advanced career and technical course as permitted by Section 28.025(b-2) (relating to curriculum courses);

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

(C) if sufficient money is available, meet the eligibility criteria described by Section 56.304(a)(2)(A);

- (3) meet financial need requirements established by THECB;
- (4) be enrolled in an undergraduate degree program at an eligible institution;
- (5) except as provided under rules adopted under Subsection (g), be enrolled as:
 - (A) an entering undergraduate student for at least three-fourths of a full course load, as determined by THECB, not later than the 16th month after the date the person graduates from high school;
 - (B) an entering undergraduate student who entered military service not later than 12 months after graduating from high school and who enrolled at an eligible institution not later than 12 months after being honorably discharged from military service; or
 - (C) a continuing undergraduate student for at least three-fourths of a full course load, as determined by THECB, not later than the 12 month after the date the person receives an associate degree from a public or private institution of higher education;
- (6) have applied for any available financial aid or assistance; and
- (7) comply with any additional nonacademic requirements adopted by THECB under this subchapter.

(b) Provides that a person is not eligible to receive a TEXAS grant if the person has been convicted of a felony or an offense under Chapter 481 (Texas Controlled Substance 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, unless the person has met the other applicable eligibility requirements under this subchapter and has received a certificate of discharge from the Texas Department of Criminal Justice or a correctional facility or completed a period of probation ordered by a court and at least two years have elapsed from the date of the receipt of completion; or been pardoned, had the record of the offense expunged from the person's record, or otherwise been released from the resulting ineligibility to receive a grant under this subchapter.

(c) Provides that a person is not eligible to receive a TEXAS grant if the person has been granted a baccalaureate degree.

(d) Prohibits a person from receiving a TEXAS grant for more than 150 semester credit hours or the equivalent.

(e) Provides that, except as provided under rules adopted under Subsection (f), a person's eligibility for a TEXAS grant ends on the fifth anniversary of the initial award of a TEXAS grant to the person if the person is enrolled in a degree or certificate program of four years or less or the sixth anniversary of the initial award of a TEXAS grant to the person if the person is enrolled in a degree or certificate program of more than four years.

(f) Requires THECB to adopt rules to provide a person who is otherwise eligible to receive a TEXAS grant additional time during which the person may receive a TEXAS grant in the event of a hardship or other good cause shown that prevents the person from continuing the person's enrollment during the period the person would otherwise have been eligible to receive a TEXAS grant, including a showing of severe illness or other debilitating condition experienced by the

person or responsibility of the person for the care of a sick, injured, or needy person.

(g) Requires THECB to adopt rules to allow a person who is otherwise eligible to receive a TEXAS grant in the event of a hardship or for other good cause shown, including a showing of a severe illness or other debilitating condition that may affect the person's academic performance or that the person is responsible for the care of a sick, injured, or needy person and that the person's provision of care may affect the person's academic performance, to receive a TEXAS grant while enrolled in a number of semester credit hours that is less than the number required by Subsection (a)(5). Prohibits THECB from allowing a person to receive a TEXAS grant while enrolled in fewer than six semester credit hours or the equivalent.

Sec. 56.3042. New heading: INITIAL QUALIFICATION OF PERSON ON TRACK TO MEET ELIGIBILITY REQUIREMENTS. Redesignates text of existing Section 56.3041 as Section 56.3042. (a) Provides that if at the time an eligible institution awards TEXAS grants to initial recipients for an academic year an applicant has not completed high school or the applicant's final high school transcript is not yet available to the institution, the student is considered to have satisfied the eligibility requirements of Section 56.304(a)(2)(A) or 56.3041(a)(2)(A) if the student's available high school transcript indicates that at the time the transcript was prepared the student was on schedule to graduate from high school and to meet the eligibility requirements as applicable to the student, rather than to complete the recommended or advanced high school curriculum or its equivalent, as applicable to the student, in time to be eligible for a TEXAS grant for the academic year.

(b) Makes a conforming change.

(c) Authorizes a person who is required to forgo or repay the amount of an initial TEXAS grant under Subsection (b) to become eligible to receive an initial TEXAS grant under Section 56.304 (Initial Eligibility for Grant) or 56.3041(Initial Eligibility of Person On Track To Complete Recommended or Advanced Curriculum) by satisfying the associate degree requirement prescribed by Section 56.304(a)(2)(B) (relating to having received an associate degree from a public or private institution of higher education not earlier than May 1, 2001) or 56.3041(a)(2)(B) and the other applicable requirements of the section applicable to the person.

(d) Makes a conforming change.

SECTION 4. Effective date: January 1, 2013