

## **BILL ANALYSIS**

Senate Research Center  
85R25858 KJE-F

C.S.S.B. 886  
By: Seliger  
Higher Education  
4/27/2017  
Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Texas Educational Opportunity Grant (TEOG) was established in 2001 to provide grant aid for students with financial need who are enrolled in Texas public two-year colleges. Fifty-three percent of Texas' public higher education students are enrolled in a two-year college and there is a growing demand for TEOG awards.

S.B. 886 limits TEOG awards to tuition, fees and books. Currently awards are given to cover the cost of attendance, which includes room and board, supplies, transportation and personal expenses. This would eliminate the possibility of students using these funds for non-educational expenses, and would allow more students to receive awards.

Currently, institutions must use non-loan funds or work-study to cover the difference in the students' tuition and fees and the amount of the TEOG award. S.B. 886 eliminates work-study as a potential matching fund to cover any difference in the amount of a TEOG and the actual amount of tuition and required fees since work-study funds are not a direct payment to the student until after the tuition bill is due.

Finally, this bill clarifies language in statute to allow institutions the discretion to continue a student's TEOG despite exceeding the number of allowable semester credit hours or years due to hardship. (Original Author's / Sponsor's Statement of Intent)

C.S.S.B. 886 amends current law relating to the Texas Educational Opportunity Grant Program.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Texas Higher Education Coordinating Board is modified in SECTION 3 (Section 56.405, Education Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 56.402(b), Education Code, to provide that the purpose of this subchapter is to provide a grant of money to enable eligible students to attend eligible institutions, rather than two-year public institutions of higher education, in this state.

SECTION 2. Amends Sections 56.404(a), (c), (d), and (f), Education Code, as follows:

(a) Requires a person, to be eligible initially for a grant under the Texas Educational Opportunity Grant Program (TEOGP), to be enrolled in an associate or baccalaureate degree program (BDP) or a certificate program at an eligible institution and be enrolled as an entering student for at least one-half of a full course load for an entering student in the associate or BDP or a certificate program, as determined by the Texas Higher Education Coordinating Board (THECB).

(c) Provides that a person is not eligible to receive a grant under this subchapter if the person has been granted an associate degree, if the person is enrolled in an associate degree or certificate program, or a baccalaureate degree.

(d) Prohibits a person from receiving a grant under this subchapter for more than:

(1) for a person enrolled in an associate degree or certificate program, 75 semester credit hours or the equivalent; or

(2) for a person enrolled in a BDP, the greater of certain amounts of credit hours.

(f) Provides that a person's eligibility for a grant under this subchapter ends on the fourth anniversary of the initial award of a grant under this subchapter to the person and the person's enrollment in an eligible institution, if the person is enrolled in a degree or certificate program of two years or less, or the fifth anniversary of the initial award of a grant under this subchapter to the person and the person's enrollment in an eligible institution, if the person is enrolled in a degree program of more than two years.

SECTION 3. Amends Sections 56.405(a), (d), and (f), Education Code, as follows:

(a) Authorizes a person, after initially qualifying for a grant under this subchapter, to continue to receive a grant under this subchapter during each semester or term in which the person is enrolled at an eligible institution only if the person is enrolled in an associate program or BDP or a certificate program at an eligible institution, is enrolled for at least one-half of a full course load for a student in an associate program or BDP or a certificate program as determined by THECB, and makes satisfactory academic progress toward an associate or baccalaureate degree or a certificate.

(d) Provides that for the purpose of this section (Continuing Eligibility and Academic Performance Requirements), a person makes satisfactory academic progress toward an associate or baccalaureate degree or a certificate only if certain criteria are met.

(f) Requires THECB to adopt rules to allow a person who is otherwise eligible to receive a grant under this subchapter, 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 grant under this subchapter for a number of semester credit hours that is greater than the number of semester credit hours permitted under Section 56.404(d), or for a number of years that is greater than the number of years for which the person is eligible to receive a grant under Section 56.404(f). Makes nonsubstantive changes

SECTION 4. Amends Section 56.407(a), Education Code as follows:

(a) Provides that the amount of a grant under this subchapter for a student enrolled full-time at an eligible institution is the amount determined by THECB as the average statewide amount of tuition and required fees that would be charged for that semester or term at eligible institutions to a resident student enrolled full-time in an associate degree or certificate program, if the student receiving the grant is enrolled in an associate degree or certificate program, or a BDP, if the student receiving the grant is enrolled in a BDP. Deletes existing text providing that the amount of a grant under this subchapter for a student enrolled full-time at an eligible institution is the amount determined by THECB as the average statewide amount of tuition and required fees that a resident student enrolled full-time in an associate degree or certificate program would be charged for that semester or term at eligible institutions. Makes conforming changes.

SECTION 5. Provides that the changes in law made by this Act apply to participation in TEOGP beginning with the 2018-2019 academic year. Provides that participation in TEOGP for an academic year before the 2018-2019 academic year is governed by the applicable law in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose.

SECTION 6. Effective date: January 1, 2018.