

BILL ANALYSIS

Senate Research Center
85R25380 MM-F

C.S.S.B. 885
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Higher Education
4/27/2017
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Established in 1999, the Toward Excellence and Success (TEXAS) Grant program provides grants to financially needy students entering college. With the roughly \$3 billion investment by the legislature in the TEXAS Grant program, more than 400,000 students have received an award. This program has a significant impact in increasing participation and success regarding higher education goals. Specifically, the TEXAS Grant program will go a long way to help meet the new higher education goals of the state, 60x30TX , improving access to higher education and increasing student outcomes. S.B. 885 allows for more new students to receive the award.

S.B. 885 limits TEXAS Grant awards to tuition and fees. 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 TEXAS Grant. S.B. 885 would eliminate work-study as a potential matching fund to cover any difference in the amount of a TEXAS Grant 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 cleans up language and provides greater clarity on eligibility requirements, as well as aligning the due date of the report by the Texas Higher Education Coordinating Board to the legislature with the annual financial aid report. (Original Author's / Sponsor's Statement of Intent)

C.S.S.B. 885 amends current law relating to the maximum number of semester credit hours allowed for and funding sources used to supplement a TEXAS grant and to the removal of obsolete references related to the Teach for Texas grant program.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter M, Chapter 56, Education Code, by adding Section 56.3051, as follows:

Sec. 56.3051. MAXIMUM NUMBER OF SEMESTER CREDIT HOURS. Prohibits a person from receiving a Toward Excellence and Success (TEXAS) grant for more than the lesser of 135 semester credit hours or the equivalent, or 15 semester credit hours, or the equivalent, in addition to the number of credit hours needed to complete the student's degree program.

SECTION 2. Amends Section 56.307, Education Code, by amending Subsection (j), as follows:

(j) Requires a public institution of higher education (IHE) to use other available sources of financial aid, other than a loan or work study, rather than other than a loan, to cover any difference in the amount of a TEXAS grant awarded to the student and the actual amount of tuition and required fees at the IHE if the difference results from certain circumstances.

SECTION 3. Amends Section 56.308(b), Education Code, as follows:

(b) Requires each school district to notify certain people of the TEXAS grant program, rather than the TEXAS grant and Teach for Texas grant programs, the eligibility requirements for the, rather than each, program, and certain other information.

SECTION 4. Amends Sections 56.311(a), (b), (c), (c-1), (e), and (g), Education Code, as follows:

(a) through (c) Makes conforming changes.

(c-1) Requires the Texas Higher Education Coordinating Board to include in its annual report to the legislature on financial aid in this state a report to the Legislative Oversight Committee (committee) regarding the operation of the TEXAS grant program, including certain information from the three preceding state fiscal years, rather than requiring THECB, not later than September 1 of each year, to provide a report to the committee.

(e) and (g) Makes conforming and nonsubstantive changes.

SECTION 5. Repealer: Section 56.304(d) (relating to prohibiting a person from receiving a TEXAS grant for more than 150 semester credit hours or the equivalent), Education Code.

SECTION 6. Provides that this Act applies beginning with the 2018 fall semester.

SECTION 7. Effective date: upon passage or September 1, 2017.