

FINANCIAL AID PROGRAMS



AN ISSUE BRIEF FROM LEGISLATIVE BUDGET BOARD STAFF

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OBJECTIVE

The purpose of the three programs is to provide financial assistance to eligible students to attend institutions of higher education.

KEY FACTS

The 2012–13 biennial funding for each of the programs was consolidated in one strategy, Student Financial Aid Programs with allocations for each program through rider. The 2012–13 estimated/budgeted amounts in All Funds totaled \$945.6 million in the Close the Gaps in Affordability Goal, of which three programs constituted \$845.6 million, or 89.4%. The 2012–13 estimated/budgeted amounts in General Revenue/General Revenue–Dedicated funds totaled \$926 million in the Close the Gaps in Affordability Goal, of which the three programs constituted \$835.4 million, or 90%. The primary difference between the All Funds totals and General Revenue–Dedicated Fund totals is donations the agency has received from the Texas Guaranteed Student Loan Corporation.

STATUTORY REFERENCES

Texas Education Code 56.301–56.311. (TEXAS Grants)

Texas Education Code 56.451–56.464. (B-On-Time Program)

Texas Education Code 61.221–61.230. (Tuition Equalization Grants)

CONTACT

Greg Owens

Email: Issuebrief@lbb.state.tx.us

The figure below shows information regarding the TEXAS Grant Program, B-On-Time Program and Tuition Equalization Grant program. Funding for these programs is appropriated to the Texas Higher Education Coordinating Board.

FIG. 1
FINANCIAL AID PROGRAMS, 2012–13 BIENNIUM

CRITERIA	TEXAS GRANTS	B-ON-TIME	TUITION EQUALIZATION GRANTS
Eligible Institutions	Public institutions.	Public, private or independent institutions.	Private or independent institutions.
Type of Financial Aid and Use	Grant can be used to pay any usual and customary cost of attendance.	Loan can be used to pay any usual and customary cost of attendance.	Grant can be used to pay any cost and customary cost of attendance.
Course Load	Three-fourths of a Full Course Load.	Full course load (12 semester hours).	Three-fourths of a Full course load.
Financial Need	Must show financial need.	Must show financial need if funding is insufficient to meet demand.	Must show financial need.
Loan Forgiveness	NA	Yes, if 3.0 GPA on a 4.0 scale and graduate within 4 to 5 years depending on degree program with no more than 6 credit hours over degree requirements.	NA
Funding	General Revenue Fund: \$559.4 million. Donations: \$10.2 million.	General Revenue Fund: \$29.4 million. General Revenue–Dedicated Fund: \$77.7 million.	General Revenue Fund: \$168.8 million.
Grant/Loan Amount	Average statewide amount of tuition and required fees a resident student enrolled full-time in a baccalaureate degree program would be charged at a general-academic teaching institution.	Average statewide amount of tuition and required fees a resident student enrolled full-time in an undergraduate degree program would be charged at a general-academic teaching institution.	Based on financial need but not to exceed a grant amount greater than 50% of the average state appropriation in the biennium preceding the biennium in which the grant is made for a full-time student or the equivalent at public senior colleges and universities, as determined by the board, or not to exceed 150% of this calculated amount, if the student establishes exceptional need.

SOURCE: Texas Higher Education Coordinating Board.