

# *Outcomes of the 84th Texas Legislature Related to Financial Aid Programs*

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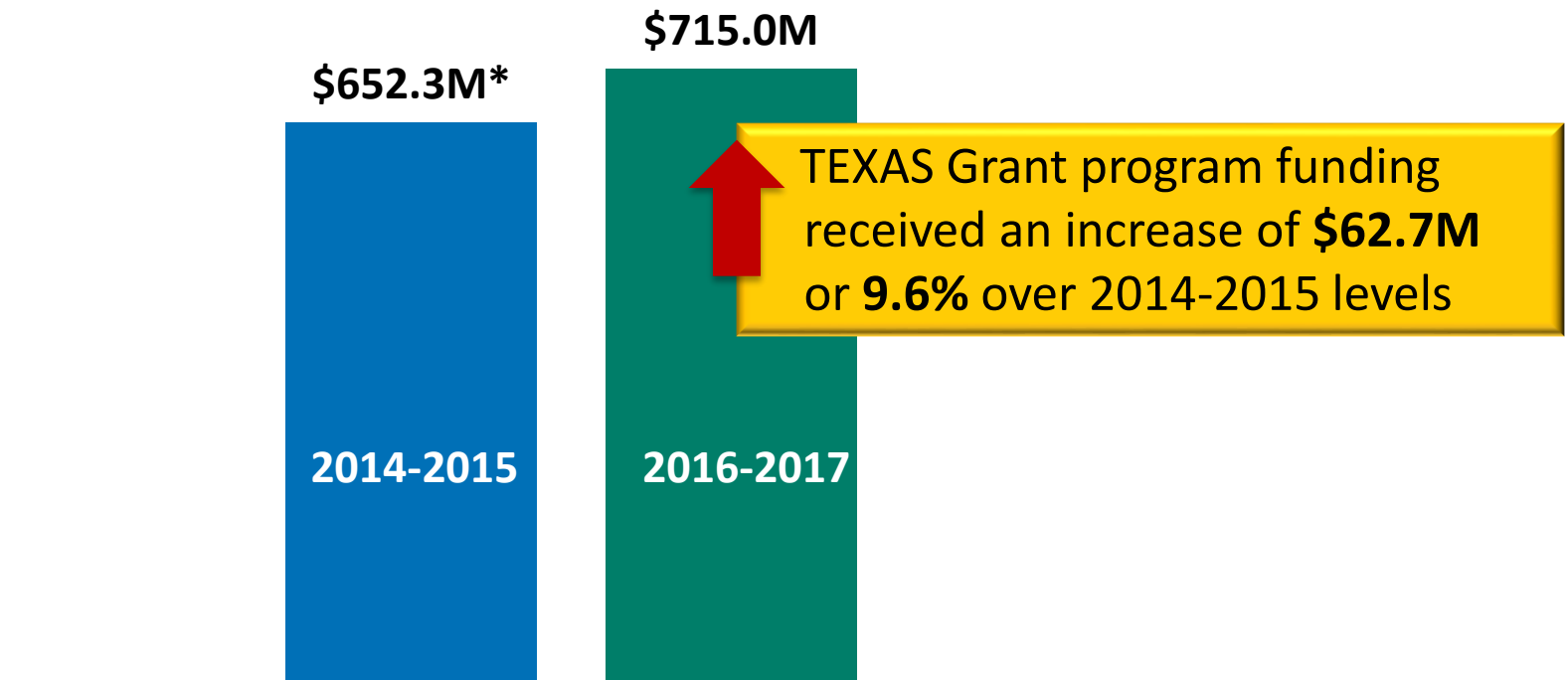


TEXAS HIGHER EDUCATION  
COORDINATING BOARD

Presentation to the  
Financial Aid Advisory Committee  
June 25, 2015

# The TEXAS Grant program received a funding increase for the 2016-2017 biennium

## TEXAS Grant Program Appropriations 2016-2017 Comparison to 2014-2015

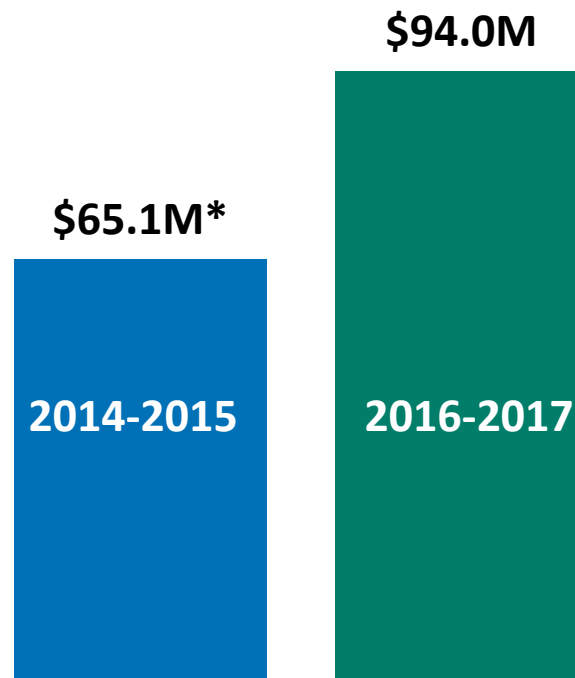


\* This represents the adjusted base and does not include a one-time donation of \$30M from Texas Guaranteed.

# Texas Educational Opportunity Grant

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## Texas Educational Opportunity Grant

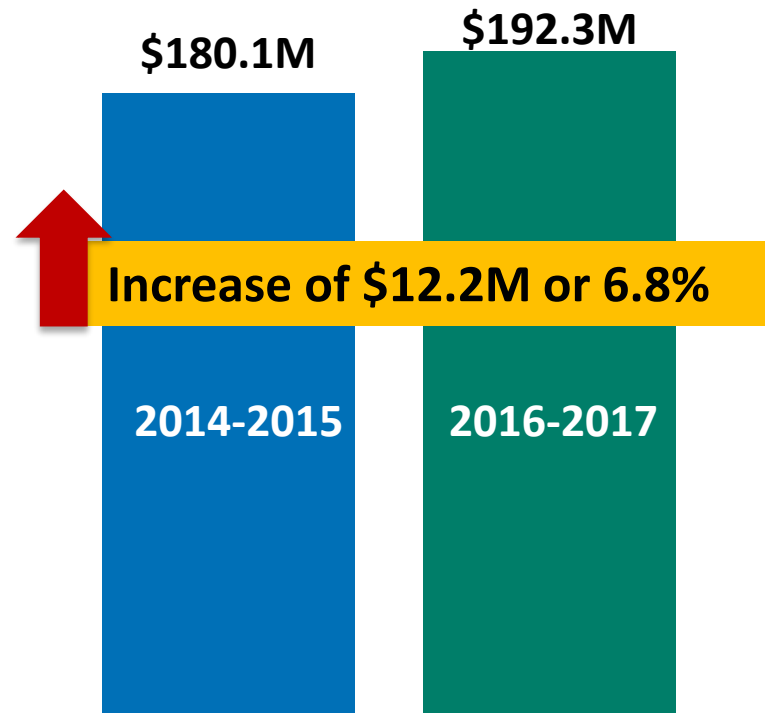


\*This represents the adjusted base which includes a one-time transfer of TEXAS Grant funds in the amount of \$37.3M to TEOG in FY15. The Coordinating Board requested an exceptional item of \$37.3M to maintain level funding for the 2016-17 biennium, but the Legislature only appropriated \$29M.

# The Tuition Equalization Grant received an increase in funding

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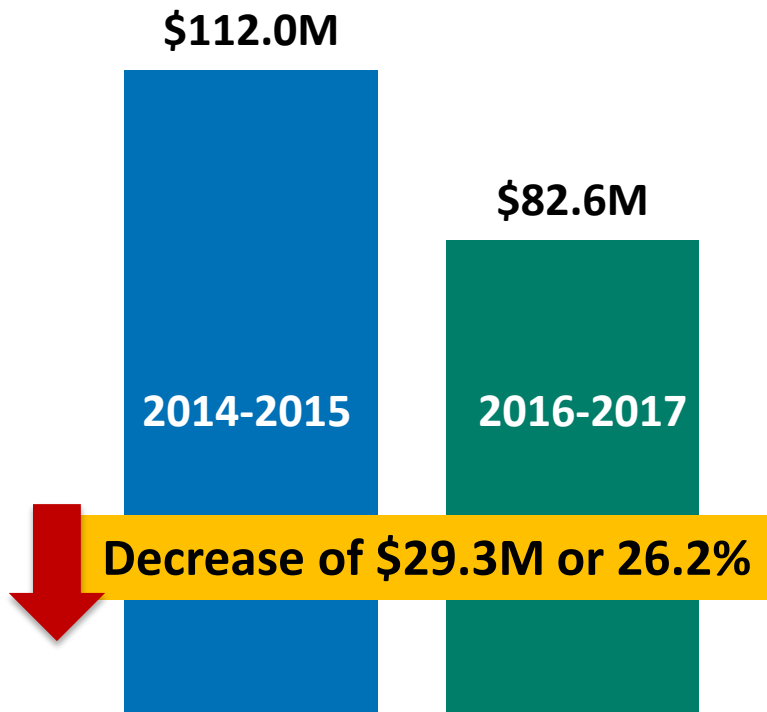
## Tuition Equalization Grant



# The Texas B-On-Time Loan Program is phased out over the next five years

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## Texas B-On-Time Loan Program

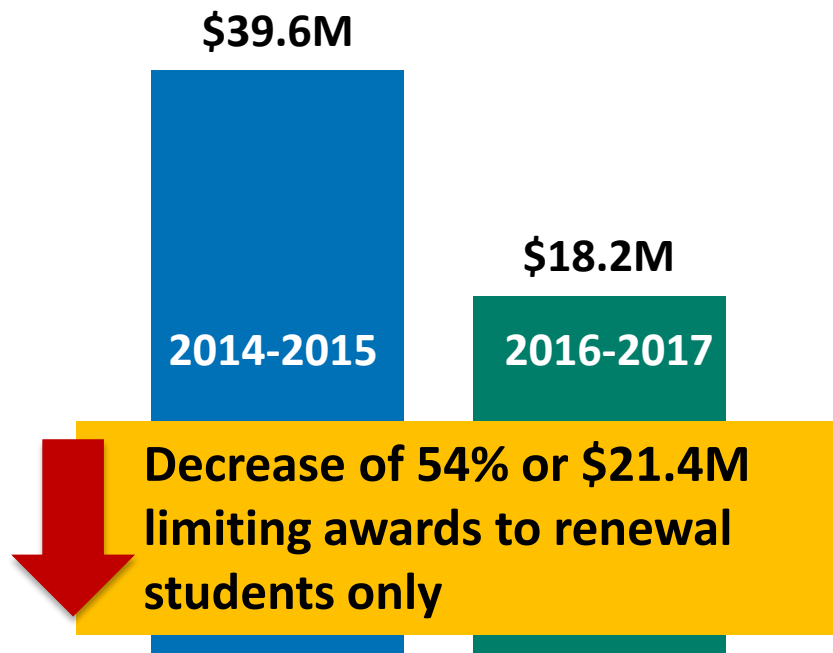


- HB 700 abolishes the B-On-Time Loan Program, phasing it out over the next five years.
- BOT Loans will be provided to students who received an initial loan before the 2015-2016 academic year.
- The five percent tuition set-aside is eliminated as of the fall 2015 semester.

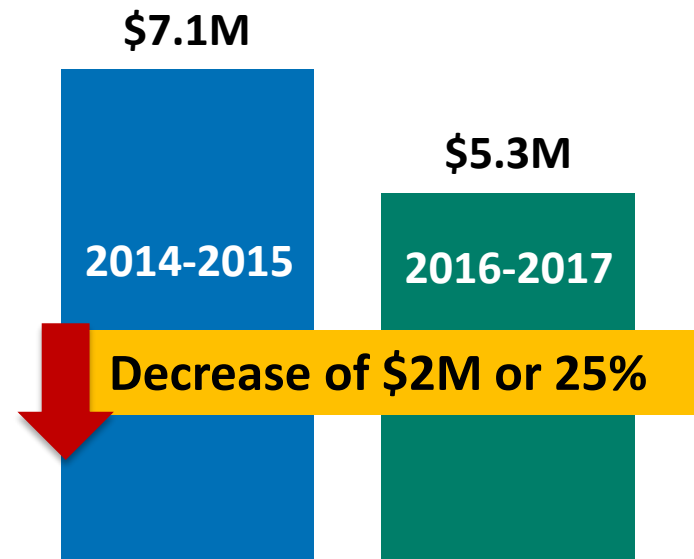
# The Top 10% Scholarships are phased out while the Texas Armed Services Scholarship Program receives a cut in funding

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**Top 10% Scholarship**



**Texas Armed Services Scholarship Program**



# The College Work Study Program was level funded and the Educational Aide Program was revived

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- The **Texas College Work Study Program** was **level funded** at **\$18.8M** for the biennium
  - **SB 1750** requires institutions to ensure that at least 20 percent but not more than 50 percent of work study positions are provided by employers located off campus beginning with the 2016-2017 academic year.
- The **Educational Aide Exemption** received \$1.5M in new appropriations after funding was discontinued in 2011

# State financial aid program appropriations at a glance

## State Financial Aid Program Appropriations 2016-2017 Comparison to 2014-2015 (Millions)

Program	2014-2015	2016-2017	Amount Difference	Percentage Difference
TEXAS Grant	\$652.3	\$715.0	\$62.7	9.6%
Texas Educational Opportunity Grant	\$65.1	\$94.0	\$28.9	44.4%
B-On-Time Loan Program	\$112.0	\$82.6	(\$29.3)	(26.2%)
Texas Equalization Grants	\$180.1	\$192.3	\$12.2	6.8%
College Work Study Program	\$18.8	\$18.8	--	--
Educational Aide Program	\$0.0	\$1.5	\$1.5	N/A
Top 10 Percent Scholarships	\$39.6	\$18.2	(\$21.4)	(54%)
Texas Armed Services Scholarship Program	\$7.12	\$5.34	(\$1.8)	(25%)
<b>Total</b>	<b>\$1,075.0</b>	<b>\$1,127.7</b>	<b>\$52.8</b>	<b>4.9%</b>



# HB 3027 would have established the Texas Competency-Based Education Grant Program

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- HB 3027 proposed to establish the Texas Competency-Based Education Grant Program to award state financial aid grants to enable eligible students to enroll in competency-based baccalaureate degree programs at public and private institutions, community colleges offering baccalaureate degrees, and certain online college degree programs for academic credit based on attainment of competencies.

# Update on Loan Repayment Programs

	Total (Biennium)	Compared with FY 2014-2015
Border County Faculty LRP	\$375,626	Level Funding
Dental Education LRP	\$220,000	Tuition set-asides that originally funded the program were eliminated in 2011. New appropriations.
Mental Health Professional LRP	\$2.13M	<b>New program</b> authorized per SB 239
Physician Education LRP	\$33.8M	Level Funding
Teach for Texas LRP	\$4.43M	Level Funding
Math and Science Scholars Loan Repayment Program	\$2.60M	<b>New program</b> authorized per SB 686

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TEXAS HIGHER EDUCATION  
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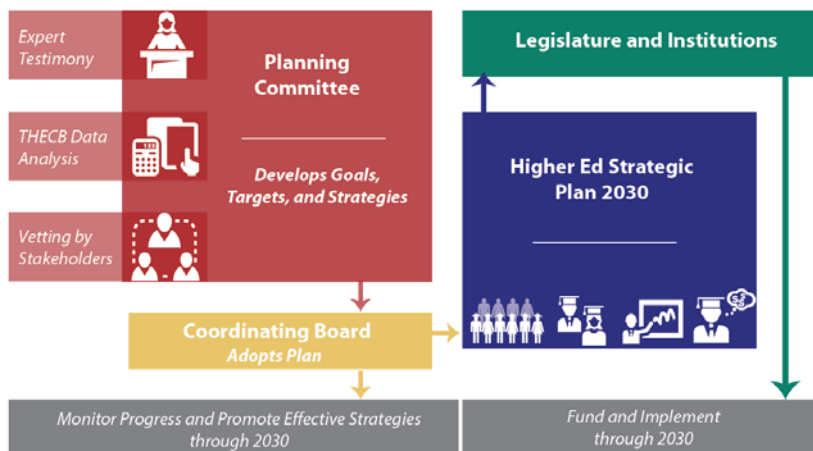
# 60x30TX

60 percent of "Generation Texas" will have a postsecondary credential or degree by 2030

## The Future of Higher Education in Texas

Higher Education Strategic Planning Committee  
Preliminary Recommendations

### Texas Higher Education Strategic Planning Process



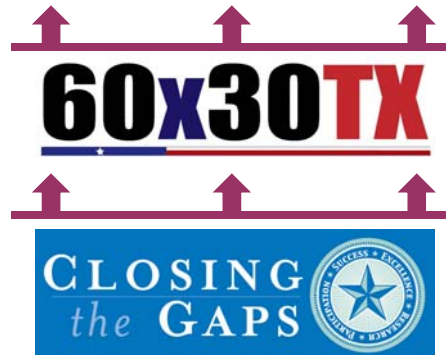
## A New Texas Higher Education Strategic Plan

**60x30TX**  
60 percent of "Generation Texas" will have a postsecondary credential or degree by 2030



## 60x30TX Builds on Achievements of CTG

2030-2045 Plan



## The 2015-2030 draft plan proposes four student-centered goals



### Attainment

By 2030, at least 60% of Texans aged 25-34 will have a postsecondary credential or degree.



### Completion

By 2030, at least 550,000 students in that year will complete a certificate or an associate, bachelor's or master's degree from a Texas higher education institution.



### Marketable Skills

By 2030, all graduates from Texas public institutions of higher education will have completed programs with identified marketable skills.



### Student Debt

By 2030, undergraduate student loan debt will not exceed 60 percent of first-year wage for graduates of Texas public institutions.



### 60x30

By 2030, at least 60 percent of Texans ages 25-34 will have a postsecondary credential or degree.

### *Summary of Targets*

Incrementally increase overall postsecondary attainment.

### *Strategy*

Respond to the needs of the changing population of Texas so students are supported to and through higher education.

## Our future workforce **will demand even more** postsecondary trained and educated workers

In 1973, only 28% of all U.S. jobs required postsecondary education/skills. By 2020, **65% of all new jobs** will require this level of education.

**59%** of all new jobs in Texas will require postsecondary training or education by 2020. Currently, **35%** of Texans aged 25-34 have an associate degree or higher.



### COMPLETION

Goal: By 2030, at least **550,000** students in that year will complete a certificate, associate, bachelor's, or master's from a Texas higher education institution.

### *Summary of Targets*

- Increase the number of Hispanic, African American, male, and economically disadvantaged completers.
- Increase the percent of public high school graduates who enroll directly in a public institution of higher education.



### COMPLETION

Goal: By 2030, at least **550,000** students in that year will complete a certificate, associate, bachelor's, or master's from a Texas higher education institution.

#### *Strategies*

- Support the completion pipeline by providing access to multiple postsecondary options.
- Improve academic preparation and academic support for students to enter and complete higher education.
- Structure programs and support services to be responsive to the changing needs of the student population to help students persist through key transitions in higher education.



### MARKETABLE SKILLS

Goal: By 2030, all graduates from Texas public institutions of higher education will have completed **programs with identified marketable skills.**

#### **What is a marketable skill?**

Students exit from any degree program with a variety of skills.

Marketable skills are those valued by employers that can be applied in a variety of work settings, including interpersonal, cognitive, and applied skill areas. These skills can be either primary or complementary to a major and are acquired by students through education, including curricular, co-curricular, and extracurricular activities.





### MARKETABLE SKILLS

**Goal:** By 2030, all graduates from Texas public institutions of higher education will have completed programs with identified marketable skills.

#### *Summary of Targets*

- By 2020, institutions will identify and regularly update marketable skills for programs.
- Maintain the percentage of students who are found working or enrolled within one year of earning a degree or certificate.



### MARKETABLE SKILLS

**Goal:** By 2030, all graduates from Texas public institutions of higher education will have completed programs with identified marketable skills.

#### *Strategies*

- Identify marketable skills in every higher education program.
- Communicate marketable skills to students, families, and the workforce.



### STUDENT DEBT

**Goal:** By 2030, undergraduate student loan debt will not exceed **60 percent** of first-year wage for graduates of Texas public institutions.

#### *Summary of Targets*

- Maintain student loan debt at or below 60 percent of first-year wage for undergraduate completers.
- Decrease the excess semester credit hours that students attempt when completing an associate or a bachelor's degree.
- Work to limit debt so that no more than half of all students who earn an undergraduate degree or certificate will have debt.



### STUDENT DEBT

**Goal:** By 2030, undergraduate student loan debt will not exceed **60 percent** of first-year wage for graduates of Texas public institutions.

#### *Strategies*

- Finance higher education in a manner that provides the most effective balance among appropriations, tuition and fees, and financial aid.
- Make higher education more affordable for students.
- Build financial literacy of Texans to promote a better understanding of how and why to pay for higher education.

# 60x30TX

60 percent of "Generation Texas" will have a postsecondary credential or degree by 2030



For more information visit  
Texas Higher Education Strategic  
Planning Committee  
<http://www.thecb.state.tx.us/txhespc>

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60 percent of "Generation Texas" will have a postsecondary credential or degree by 2030

Materials related to the proposed new  
Higher Education Strategic Plan

- Preamble to plan narrative
- Goals, targets, and strategies
- Summary of targets

## *Preamble to the 2015-2030 Texas Higher Education Plan*



Higher education institutions improve the lives of Texans. They educate our teachers, nurses, and engineers. They find cures for life-threatening diseases and develop technologies that make our cars safer. They inspire and equip our students to be their best, encouraging them to be more civic-minded, helping them interact in diverse communities, and giving them a passion for life-long learning. They retrain our adult population, including veterans, helping them find meaningful careers. They enrich us through the arts and new ideas and bring us together as we cheer for the home team. Their impact is immeasurable.

Because of the importance of higher education, Texans united around the goals of the previous statewide plan, *Closing the Gaps by 2015*. The Legislature approved and funded new higher education institutions, appropriated \$3.3 billion for TEXAS Grants to help low-income students attend college, and increased funding for programs in critical fields. Institutions of higher education in the state responded by increasing access and improving graduation rates. In 2014, they enrolled more than 1.6 million students – an increase of almost 600,000 since 2000 – and they awarded almost 250,000 bachelor’s degrees, associate degrees, and certificates – approximately 130,000 more than in 2000.

Each Texas institution has unique strengths: some conduct world-class research, some excel at serving underrepresented student populations, and others develop new programs quickly in response to local workforce needs. Yet they have one thing in common: they help students succeed. The new higher education plan, *60x30TX*, focuses on this common goal. The plan seeks to achieve student success through the combined expertise and resources of many stakeholders. Because of these collaborative efforts, Texas institutions of higher education will have more opportunities to develop their unique identities, which enrich the state.

*60x30TX* is a bold plan. Because of the creativity and hard work of the faculty, administrators, and staff at our institutions of higher education over the past fifteen years, Texas is ready. Our foundation is strong. We have the potential to achieve things we could not have imagined fifteen years ago. We invite you to join us as we work together to make higher education attainable for Texans of all backgrounds.



# 60x30TX

60 percent of "Generation Texas" will have a postsecondary credential or degree by 2030

## Overarching Goal



### 60x30

By 2030, at least **60 percent** of Texans ages 25-34 will have a postsecondary credential or degree.

## Targets to Reach the Goal

Target	2020	2025	2030
➤ Increase the percent of Texans ages 25-34 with a postsecondary credential to at least...	48%	54%	60%

*These benchmarks ensure progressive improvement of state educational attainment throughout the plan years.*

## Strategy

Respond to the needs of the changing population of Texas so students are supported to and through higher education.

### For example:

- Aggressively **promote college attainment** to students and parents prior to high school.
- Develop and implement **education and curriculum delivery systems** to make higher education available **to a broader and changing population**.
- Provide high-quality **adult education** programs to improve educational attainment for educationally underserved adults.
- Improve opportunities for **students** to pursue and complete higher education, including developing practices to encourage **stop-outs** with more than 50 semester credit hours to return and complete a degree or certificate.
- Collaborate with the Texas Workforce Commission to identify **critical fields** and to update them periodically.



## COMPLETION

**Goal:** By 2030, at least **550,000** students in that year will complete a certificate, associate, bachelor's, or master's from a Texas higher education institution.

### Targets to Reach the Goal

Target	2020	2025	2030
<p>➤ <b>Increase the number of students completing a certificate, associate, bachelor's, or master's from a Texas public, independent, or for-profit college or university to at least...</b></p> <p><i>The first four targets are directly related to the completion goal. To reach this goal, Texas will need to maintain the strong degree production increases that it has experienced in recent years.</i></p>	376,000	455,000	550,000
<p>➤ <b>Increase the number of Hispanic students completing a certificate or degree to at least ...</b></p> <p><i>This target and the next one will help increase parity across completers for groups that have traditionally been underrepresented.</i></p>	138,000	198,000	285,000
<p>➤ <b>Increase the number of African American students completing a certificate or degree to at least ...</b></p>	48,000	59,000	76,000
<p>➤ <b>Increase the number of male students completing a certificate or degree to at least...</b></p> <p><i>The percentage of women enrolled in and graduating from higher education institutions has grown and men are not keeping pace. This target provides a means to monitor progress towards gender parity.</i></p>	168,000	215,000	275,000
<p>➤ <b>Increase the number of economically disadvantaged undergraduate students (PELL Recipients) completing a certificate or degree to at least...</b></p> <p><i>Economically disadvantaged students are less likely to succeed in higher education than their non-economically disadvantaged peers. This target emphasizes the importance of improving completion rates for this subgroup.</i></p>	146,000	190,000	246,000
<p>➤ <b>Increase the percentage of all Texas public high school graduates enrolling in a Texas public, independent, or for-profit or college or university by the first fall after their high school graduation to at least...</b></p> <p><i>Students who enroll directly from high school into college are much more likely to be college ready. This target helps to ensure high school graduates enroll in higher education at rates that support the completion goal.</i></p>	58%	61%	65%

## Strategies

**Support the completion pipeline by providing access to multiple postsecondary options.**

*For example:*

- Scale up and share practices that **guide students** to higher education.
- Increase the participation of **economically disadvantaged** high school students in dual credit and other **college-level courses**.
- **Build credentials** at each level with the aim of reducing course work duplication and time to subsequent degrees.
- **Reach out to K-12** to collaborate in improving college and career readiness.

**Improve academic preparation and academic support for students to enter and complete higher education.**

*For example:*

- Scale up and share practices that support students in their **academic preparation** for postsecondary education.
- **Streamline credential pathways** through the P-16 continuum to ensure that secondary education prepares high school graduates for completing a postsecondary credential.
- Scale up and share practices that **support underprepared students** to increase persistence and completion and to reduce their time-to-degree.

**Structure programs and support services to be responsive to the changing needs of the student population to help students persist through key transitions in higher education.**

*For example:*

- Use **innovative approaches for content delivery** (e.g., block scheduling) and assessment to improve completion and reduce student cost.
- Employ **High-Impact Practices** (HIPs). HIPs are evidence-based teaching and learning practices shown to improve learning and persistence for college students from many backgrounds. Various practices demand considerable time and effort, facilitate learning outside of the classroom, require meaningful interactions with faculty and students, encourage collaboration with diverse others, and provide frequent and substantive feedback.
- Increase use of **predictive analytics** to identify and assist students at risk of not completing.





## MARKETABLE SKILLS

**Goal:** By 2030, all graduates from Texas public institutions of higher education will have completed **programs with identified marketable skills**.

### Targets to Reach the Goal

Target	2020	2025	2030
<p>➤ By 2020, institutions will have created and implemented a process to identify and regularly update marketable skills for each of their programs, in collaboration with business and other stakeholders, and to <u>communicate</u> these marketable skills to students.</p> <p><i>Students need to be aware of the marketable skills affiliated with their programs. The targets above ensure that institutions document, update, and communicate the skills students acquire in their programs. Target years can be modified to accommodate institutional program review cycles.</i></p>	100% Implemented	Continuously Updated	
<p>➤ Maintain the percentage of students who are found working or enrolled within one year of earning a degree or certificate.</p> <p><i>It is important to the state that substantial portion of Texas completers remain in the state and are employed or pursuing additional education.</i></p>	80%	80%	80%

*Strategies on Reverse Side*

## Strategies

### Identify marketable skills in every higher education program.

#### *For example:*

- **Convene a statewide group** to explore general characteristics of marketable skills by meta-majors. This group should include representatives from institutions, industry, and other relevant stakeholders.
- Establish **collaborations** among institutions, state, regional, and local employers to define desirable skills, and identify in-demand programs and courses that offer those skills.
- **Leverage existing efforts** (e.g., using LEAP) to ensure that marketable skills are addressed in every program.

### Communicate marketable skills to students, families, and the workforce.

#### *For example:*

- Increase the quality and availability of information targeted to students about the transition from **higher education to the workforce**, including information about the transferability and alignment of skills. This information should be available through **academic and career advising** strategies.
- Ensure marketable skills are integrated into curricula so that students can **demonstrate and communicate those skills** through established mechanisms.



## STUDENT DEBT

**Goal:** By 2030, undergraduate student loan debt will not exceed **60 percent** of first-year wage for graduates of Texas public institutions.

### Targets to Reach the Goal

Target	2020	2025	2030
<b>➤ Maintain student loan debt at or below 60 percent of first-year wage for undergraduate completers.</b> <i>These benchmarks ensure student loan debt levels stay in balance with the earning potential of the credential.</i>	60%	60%	60%
<b>➤ Decrease the excess semester credit hours (SCH) that students attempt when completing an associate or a bachelor's degree.</b> <i>This target focuses on decreasing the total semester credit hours to degree to reduce costs and debt.</i>	12	6	3
<b>➤ Work to limit debt so that no more than half of all students who earn an undergraduate degree or certificate will have debt.</b> <i>This target focuses on decreasing the overall number of students who have student loan debt.</i>	50%	50%	50%

*Strategies on Reverse Side*

## Strategies

Finance higher education in a manner that provides the most effective balance among appropriations, tuition and fees, and financial aid.

Make higher education more affordable for students.

*For example:*

- **Fully fund grants** for eligible students.
- **Support innovative approaches** for more affordable credentials.
- Reduce time to degree through **alternate degree pathways** to completion.

Build financial literacy of Texans to promote a better understanding of how and why to pay for higher education.

*For example:*

- Implement personal **financial literacy** programs to support students going to college.
- Convene a statewide advisory group to determine ways to better **advise students and parents on financial aid** options and the impact of those options on students' finances before and during their college careers.

# 60x30TX

60x30	2013	2020	2025	2030
By 2030, at least 60 percent of Texans ages 25-34 will have a postsecondary credential or degree.	38.3%	47.7%	53.5%	60.0%
Completion	2014	2020	2025	2030
By 2030, at least 550,000 students in that year will complete a certificate, associate, bachelor's, or master's degree from a Texas public, independent, or for-profit college or university.	298,989	375,769	454,613	550,000
Increase the number of Hispanic completers.	89,355	138,041	198,344	284,988
Increase the number of African American completers.	37,658	48,257	59,367	76,130
Increase the number of male students completing a certificate or degree.	122,744	168,000	215,000	275,000
Increase the number of economically disadvantaged undergraduate students (PELL Recipients) completing a certificate or degree.	107,419	146,000	190,000	246,000
Increase the percentage of all Texas public high school graduates enrolling in a Texas public, independent, or for-profit college or university by the first fall after their high school graduation to at least...	54.2%	58.2%	61.5%	65.0%

Institutions	Degrees
Any in the world (Data are self-reported to U.S. Census)	Certificates Associates Bachelor's Master's Doctoral Professional
Institutions	Degrees
Texas public 4-year Texas public 2-year Health-related institutions Texas independent Texas for-profit	Certificates Associates Bachelor's Master's

<b>Marketable Skills</b>	<b>2013</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>
At least 80 percent of students are found working or enrolled the following fall after earning a degree or certificate.	77.1%	80.0%	80.0%	80.0%
<b>Student Debt</b>	<b>2012</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>
By 2030, undergraduate student loan debt will not exceed 60 percent of first-year wage for graduates of Texas public institutions.	60.0%	60.0%	60.0%	60.0%
	<b>2014</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>
Decrease the excess semester credit hours (SCH) that students attempt when completing an associate or a bachelor's.	21	12	6	3
Work to limit debt so that no more than half of all students who earn an undergraduate degree or certificate will have debt.	50.7%	50.0%	50.0%	50.0%

<b>Institutions</b>	<b>Degrees</b>
Texas public 4-year	Certificates
Texas public 2-year	Associates
Health-related institutions	Bachelor's
Texas independent	Master's
Texas for-profit	Doctoral
	Professional
<b>Institutions</b>	<b>Degrees</b>
Texas public 4-year	Certificates
Texas public 2-year	Associates
Health-related institutions	Bachelor's