



HB 3
in
30

Financial Aid Application

Graduation Requirement

“Only 40 percent of Texas’s 240,000 low-income eighth-graders enroll in college four years later; the other 60 percent (at an average Pell grant award of \$4,010 per student per year) conservatively represent over **\$300 million** per year per cohort of **untapped federal resources available for their post-secondary education.**”

New Graduation Requirement

Beginning in **2021-2022**, each student must do one of the following in order to graduate:

- complete and submit a **free application for federal student aid (FAFSA)**
- complete and submit a **Texas application for state financial aid (TASFA)**
- submit a **signed opt-out form**

TEA must establish and convene an advisory committee to develop recommendations for adoption of rules including implementation of the new requirement and related timelines.

Key Takeaway

This requirement applies beginning with students enrolled in **12th grade** during the **2021-2022 school year**. There are **two full school years** before the requirement must be implemented by school districts.

Completion of the FAFSA

The student has submitted the FAFSA application **and** the submitted application has been successfully processed by the Office of Student Financial Aid at the U.S. Department of Education (USDE).

Completion of the TASFA

Criteria for completion of TASFA will be determined when the Texas Higher Education Coordinating Board (THECB) implements a new electronic form required by law and included in the rules.

Completion of the Opt-out form

Criteria for one of the exception options defined in the rules have been met.

TEA will provide the following resources to support districts with implementing the new rules.

- A standard notification for students and parents that explains the financial aid requirement, including the requirements for and differences between FAFSA and TASFA
- An approved opt-out form for exceptions
- A Texas toolkit developed in coordination with the THECB and its IHE partners to help counselors and administrators support students

District Requirements

Each school district and open-enrollment charter school will be required to provide students with the following information:

- Written notification of the financial aid requirement
- An explanation of FAFSA, TASFA, and the difference between the two
- Resources that are available to support completion and submission of FAFSA or TASFA
- How to access applications and opt-out forms
- Key dates for completion and submission of FAFSA or TASFA
- Documents and information that will be required to complete FAFSA or TASFA

Information should be provided at the time notification of automatic college admission is provided to a student in accordance with TEC, §28.026.

Districts and charter schools will also be required to report to TEA the number of students who have completed either the FAFSA or TASFA or who have received an exception.

HB 3 Changes – Anticipated SBOE Rules

TEA has recommended that the State Board of Education amend rules to

- Add the financial aid application to the graduation requirements consistent with other graduation requirements
- Require documentation of completion or exception on student transcripts, also consistent with other graduation requirements

The SBOE is expected to adopt amendments to the rules in early 2021 and rules will be effective beginning with the 2021-2022 school year.

Administrative Rule

TAC, §74.11 High School Graduation Requirements
TAC, §74.5 Academic Achievement Record (Transcript)

FAFSA

What is FAFSA?

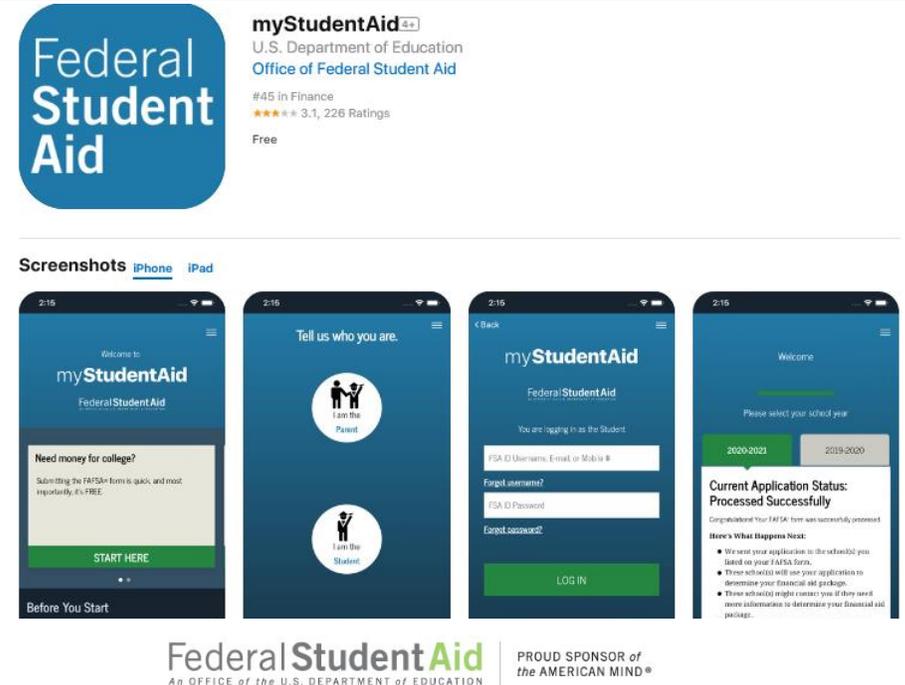
- The Free Application for Federal Student Aid (FAFSA) is a form completed by prospective and continuing college students.
- The application informs financial aid decisions regarding students' eligibility for federal, state, institutional and other opportunities.
- Federal student aid can be applied toward expenses such as tuition and fees, room and board, books and supplies, and transportation.
- Aid also can help pay for other related expenses, such as a computers and dependent care.

Completing the FAFSA: How to Apply

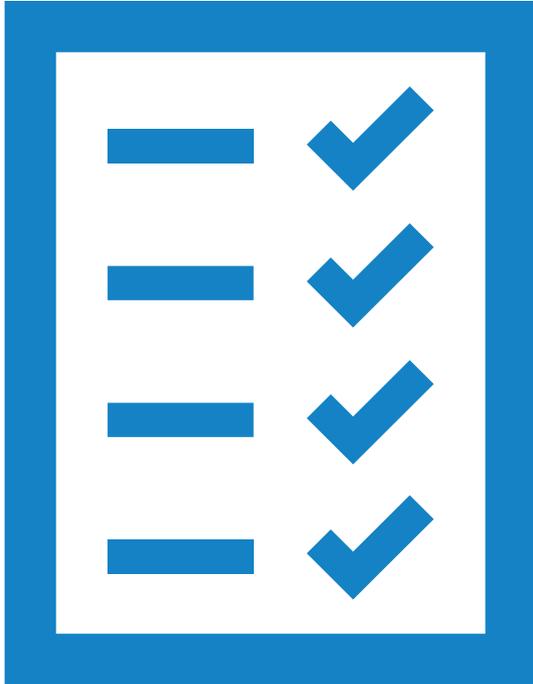
Students log in at fafsa.gov to apply online.

Students may also apply using one of the following methods to file a FAFSA:

- Fill out the form in the myStudentAid mobile app
- Print out a FAFSA PDF from the fafsa.gov site and mail the FAFSA for processing



Completing the FAFSA involves many steps



Getting Started

Before completing the application, a student will need to

- gather required documentation;
- register (or already be registered) with the Selective Service System, if male and 18;
- identify colleges and universities (up to 10) to which to send financial information; and
- create a Federal Student Aid (FSA) ID* -- online application only.

Parents (and the student, if applicable) will need to have filed their income tax returns for the year prior to filing the FAFSA (e.g., 2020 taxes filed when applying during the 2021-2022 school year for the 2022-2023 FAFSA cycle).

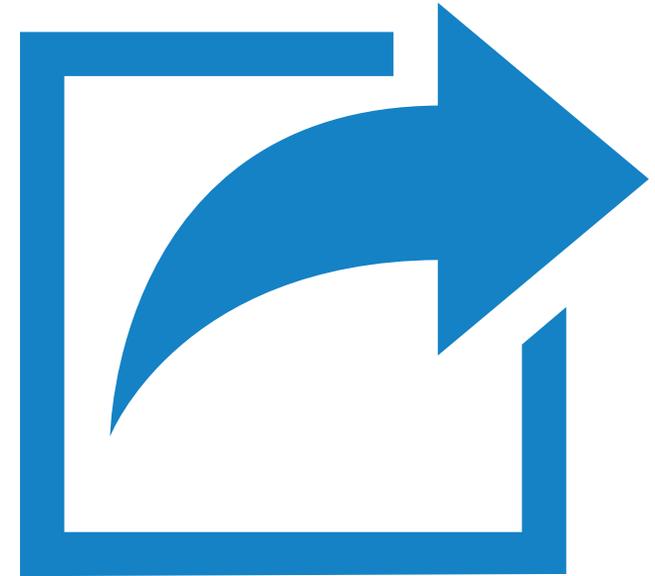
*FSA IDs are used to confirm students' and parents' identities and enable them to electronically sign the FAFSA.

Completing the FAFSA involves many steps

Submitting the FAFSA

Once the initial steps are complete, the student will have to complete and submit the application either online or on paper.

A student should check the student's account on FAFSA.gov **3-5 business days** after submission to verify the status of an application. If the account indicates that the application was successfully processed, the student has completed the Texas graduation requirement to complete a financial aid application.



Completing the FAFSA: Documents Needed to Apply

| Documentation | Student | Parent/ Guardian (student dependents only) |
|--|---|---|
| Social Security Number (SSN) | Required for online form | Required for online form |
| Drivers license | If the student has a license | |
| Alien registration number | If the student is not a U.S. citizen but eligible for federal financial aid | |
| Federal tax information or returns including IRS W-2 information | ✓ | ✓ |
| Records of untaxed income, e.g., child support received, interest income, veterans noneducation benefits | ✓ | ✓ |
| Information on cash, savings and checking account balances, investments, and business and farm assets | ✓ | ✓ |

Key Dates for Financial Aid Application

Students are encouraged to **apply early** to improve their chances of getting a good financial aid package.

The FAFSA forms are posted and the electronic application opens **October 1** of each year.

January 15 is typically the deadline for priority consideration for many four-year Texas institutions of higher education (IHEs).

To meet the graduation requirement, a student must only apply for financial aid once.

Students must submit a FAFSA **every subsequent year while in college** to be considered for federal student aid.

Example Timeline for FAFSA (prior-prior)

| | |
|------------------------------|--|
| April 15, 2021 | <ul style="list-style-type: none"> 2020 tax returns due |
| 2021-2022 school year | |
| October 1, 2021 | <ul style="list-style-type: none"> FAFSA forms are posted and the electronic application opens Student completes FAFSA beginning in October 2021 (with 2020 taxes) |
| January 15, 2022 | <ul style="list-style-type: none"> Deadline for priority consideration for many four-year Texas IHEs* |
| May/June 2022 | <ul style="list-style-type: none"> Student graduates from high school |
| 2022-2023 FAFSA cycle | |
| Fall 2022 | <ul style="list-style-type: none"> Student enters IHE |

* IHEs may establish earlier deadlines. Students should always check with the school(s) to which they plan to apply.

USDE provides several resources and direct support by phone and online to assist students with completing the FAFSA.

Federal Student Aid: USDE Financial Aid Toolkit

<https://financialaidtoolkit.ed.gov/tk/>

Federal Student Aid Information Center

<https://studentaid.ed.gov/sa/contact>

Monday – Friday

8 a.m.-11 p.m. ET

1-800-4FED-AID

(1-800-433-3243)

Saturday – Sunday

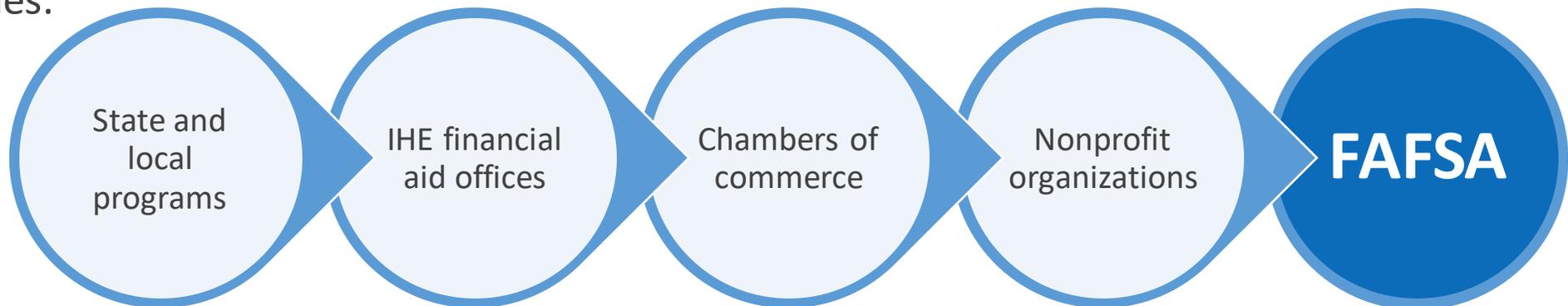
11 a.m.-5 p.m. ET

Completing the FAFSA: Resources

State programs that currently provide FAFSA resources for Texas counselors.

- **TexasOnCourse** – Counselor Academy, Financial Aid Unit
<https://texasoncourse.org/>
- **Generation Texas (GenTX)** – Texas Higher Education Coordinating Board
<http://gentx.org/resources/>
- **Texas Financial Aid Information Center (TFAIC)**
1-888-311-8881

Local organizations and colleges and universities also provide direct support to students and their families.



Completing the FAFSA: Resources

To support districts in successful implementation of this requirement, TEA will work on the following:

- Form a new team dedicated to **Counselor, Advisor, and Student Supports**, offering a clear point of contact and communication channel for district employees
- Partner with Texas OnCourse and THECB to provide and promote **high-quality, free online training** for district employees
- Provide a **toolkit** for districts to recruit and engage local community partners, including tax preparers, in financial aid completion campaigns.

Key Takeaway

New resources to support the implementation of the financial aid application requirement will be made available to counselors and schools in Fall 2020.

Tracking FAFSA Completions and Submissions



The screenshot shows the ApplyTexas website interface. At the top, the ApplyTexas logo is displayed with the tagline "Many Schools. One Application." Below this, the page title is "ApplyTexas Administrative & Counselor Reporting Suite". A notice states: "Essay prompts for U.S. Freshman and International Freshman Applications will be changing for Summer 2020, Fall 2020, and Spring 2021. (Essays for Summer 2019, Fall 2019, and Spring 2020 Applications are NOT changing.) You may preview the [new essay prompts here](#)." The main content area is split into two columns. The left column, titled "ApplyTexas Administrators Welcome!", contains the text "You must have a user-id and password to proceed" and a link to "Counselor Authorization Information". The right column, titled "You are entering a secure service Log in now", contains a login form with fields for "User-ID:" and "Password:", a "Log in" button, and a link for "Problems logging in? Click here". At the bottom of the page, it says "Web page last updated: 16 July 2019" and includes an "FAQ" link.

- The ApplyTexas Counselor Suite hosted by UT Austin provides student level data from the USDE (via MOU with school districts) about FAFSA submissions and completions.
- From late October-June, data is released twice weekly. The first report is added to the ApplyTexas site by mid- to late October and is updated in ApplyTexas every Tuesday and Thursday morning.
- Districts must enter into an MOU with THECB and counselors must register for an account to access data through their ISD's ESC.

TASFA

What is TASFA?

- The Texas Application for State Financial Aid (TASFA) is used to determine eligibility for state (or institutional) financial aid programs administered by IHEs in the state of Texas.
- Students who are classified as Texas Residents who cannot apply for federal financial aid using the FAFSA must complete the TASFA or opt out to meet the new graduation requirement.

FAFSA covers federal **and** state financial aid opportunities. Students should complete FAFSA if they meet FAFSA eligibility. Students do not need to complete both the FAFSA and TASFA.

- Recent legislation (HB 2140) requires the THECB to adopt procedures to allow students to complete and submit a common TASFA form by electronic submission.
- The electronic application submission process for state financial aid must be available for applications submitted for the 2022-2023 academic year.
- THECB must appoint an advisory committee to develop recommendations to assist with procedures for the electronic submission.
- Advisory committee recommendations must be submitted to the legislature January 1, 2021.

***TEA is working with THECB to coordinate requirements related to TASFA**

- There is currently a general TASFA application that some Texas IHEs have agreed to use. Other Texas IHEs may use their own form.
- Currently, each institution has its own process for completing and submitting the TASFA form it uses.
- The TASFA form posted on the THECB website collects similar information to the information collected in the FAFSA.



The screenshot shows the 60x30TX website with a dark blue header containing navigation links: "Plan, Pay, & Complete College", "Institutional Resources & Programs", "Data & Reports", and "Legislative & Media". A red sidebar on the left lists "Institutional Resources & Programs" with sub-items: "Public Community, Technical, & State Colleges", "Public Universities & Health-Related Institutions", "Private Postsecondary Institutions", "Institutional Grant Opportunities", "Funding & Facilities", "Governing Board Member Training", "Star Award Program", and "Student Financial Aid Programs". The "Student Financial Aid Programs" sub-item is expanded to show "Stay Connected", "Program Resources", "SFAP Frequently Asked Questions", "Learning Resources", and "Online Resources". The main content area is titled "Program Resources" and includes the text: "Institutions can find information to assist with the administration of state financial aid programs through:" followed by links for "Grant Programs", "Loan Programs", "Work-Study & Scholarships", and "Exemption and Waivers". Below this, it says "For a comprehensive understanding of all state funded programs download:" and lists "2019-2020 State Financial Aid Program Guidelines [PDF]" and "2018-2019 State Financial Aid Program Guidelines [PDF]". A section titled "TEXAS APPLICATION FOR STATE FINANCIAL AID (TASFA)" follows, with the text "To determine eligibility for applicants that do not qualify for federal aid, download the TASFA." and sub-sections for "2020-21 TASFA" and "2019-20 TASFA", each with links to application instructions in PDF and Spanish.

Just as with the FAFSA, students are encouraged to **apply early** to improve their chances of getting a good financial aid package and to meet individual Texas IHEs' deadlines.

TASFA forms are posted along the same timeline as FAFSA: **October 1** of each year.

January 15 is typically the deadline for priority consideration for many 4-year Texas IHEs.

Currently, TASFA application deadlines vary by Texas school/IHE.

Example TASFA Timeline

October 1, 2021: TASFA forms are posted

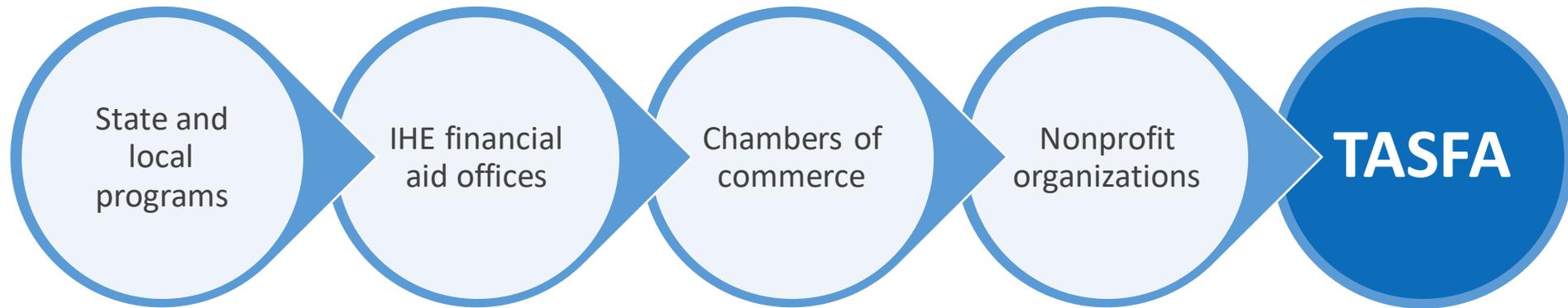
January 15, 2022: Deadline for priority consideration for many Texas IHEs

May/June 2022: Graduation for 2021-2022 school year

TBD by Texas IHE: 2022-2023 TASFA deadlines

Completing the TASFA: Resources

Many of the state and local programs and organizations that provide resources and support for completing the FAFSA also assist counselors and students and parents with TASFA.



Key Takeaway

Districts may want to begin exploring opportunities to partner with state and local entities to provide families with support to complete the FAFSA and TASFA to meet the requirement.

Opt Out

Opting out of FAFSA/TASFA

A student may opt out of the financial aid application graduation requirement if

- a parent or guardian submits a signed form;
- the student is 18 years of age or older and submits a signed form; **or**
- a school counselor authorizes the student to decline to complete and submit the application for good cause.

In Statute

TEC, §28.0256 Financial Aid Application Requirement for High School Graduation

Opting out of FAFSA/TASFA

TEA will provide the approved opt-out form in **Spring 2021** for districts to use.

The form will be made available in English, Spanish, and other languages common in Texas schools.

Districts and charter schools will need to collect and manage opt-out data locally in order to report exceptions annually through the Public Education Information Management System in the Texas Student Data System (TSDS PEIMS).



Frequently Asked Question



Question

How will TEA approve opt-out forms?



Answer

TEA will not approve forms submitted by school districts. TEA will develop and make available on the TEA website, prior to the start of the 2021-2022 school year, an opt-out form for use by districts and charter schools.