

During the 89th Texas Legislature (Regular Session), [Texas Education Code \(TEC\), Title 3, Section 56.0094](#), was enacted through [Senate Bill 2995](#). It requires all public institutions of higher education to include specific information about gift aid in their admissions application forms or materials.

Institutional Requirements TEC Section 56.0094(c)

Each institution of higher education is **required** to include in the institution's admission application form or provide in that form a link to the financial aid displacement advisory and, in plain language, the following information:

- How to apply for gift aid at the institution.
- The timeline for financial aid processes at the institution, including application deadlines, suggested deadlines to report gift aid, and other deadlines of which the institution determines a prospective student should be made aware.
- A list of recommendations to aid a prospective student in maximizing gift aid awards, as determined by the institution.
- A list of recommendations for a prospective student to ensure the student's gift aid will not be reduced.
- Contact information for an employee or office at the institution from whom a prospective student may seek advice regarding gift aid.

The **Financial Aid Displacement Advisory**, which the Texas Higher Education Coordinating Board (Coordinating Board) is required by statute to create, provides a working definition of financial aid displacement and a list of common reasons why a student's gift aid might be revised or reduced.

Financial Aid Displacement Advisory Requirements TEC Section 56.0094(b)

The Financial Aid Displacement Advisory for use by public institutions of higher education **is provided on Page 2**.

Institutions may either:

- ✓ Create their own version of the advisory, **which MUST include the exact phrasing included in the advisory**, bordered by a line one point in weight in a font of not less than 14 points in size; or
- ✓ Link to the Coordinating Board's Financial Aid Displacement Advisory, which is also available on the [Student Financial Aid Programs webpage](#).

Financial Aid Displacement Advisory

Financial aid displacement occurs when a student's financial aid is reduced due to receipt of a private scholarship or other reasons identified in this advisory. This practice occurs in Texas and should be taken into consideration while applying for financial aid. The institution to which you are applying is providing in this application a list of recommendations describing how to maximize your financial aid and ensure that you are prepared when financial aid displacement occurs. You are encouraged to reach out to the institution to which you are applying to receive advice on how to avoid financial aid displacement.

A student's state-funded gift aid is most commonly revised or reduced because of:

- Additional gift aid received from a private source, such that the student's total gift aid exceeds financial need or cost of attendance.
- Reduced cost of attendance as a result of dropped classes, a change in housing status, or withdrawal from the institution, among other causes.
- Failure to meet satisfactory academic progress requirements or other merit-based criteria for the student's gift aid.
- A change in enrollment status that renders the student ineligible for certain gift aid programs.
- Failure to complete required administrative processes or submit documentation by established deadlines.
- A change in the student's Student Aid Index as a result of verification, updates, and/or corrections to the student's financial aid application which affects eligibility for some forms of gift aid or the amount of gift aid the student is eligible to receive.