

# State Financial Aid Updates

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Student Financial Aid Programs

# Topics of Discussion:

Policy Implementation Process Refresher

Legislative Changes Impacting Financial Aid

Annual Updates

Resources and System Updates

Contact Us

# Policy Implementation Process

Refresher

# Legislation to Administration: The Implementation Flow Refresher

Statutes **are** the law

Bills **change** statutes

Statutes **authorize** rules

Rules **interpret** statute

Agency resources **outline** statutes and rules

# Understanding TEC and TAC

When laws are changed, applicable rules must also be modified for alignment.

## Texas Education Code (TEC) = Law

The TEC is the set of laws that govern education in Texas and is passed by the Texas Legislature.

The TEC authorizes specific state financial aid programs.

**Website:** [statutes.capitol.texas.gov](https://statutes.capitol.texas.gov)



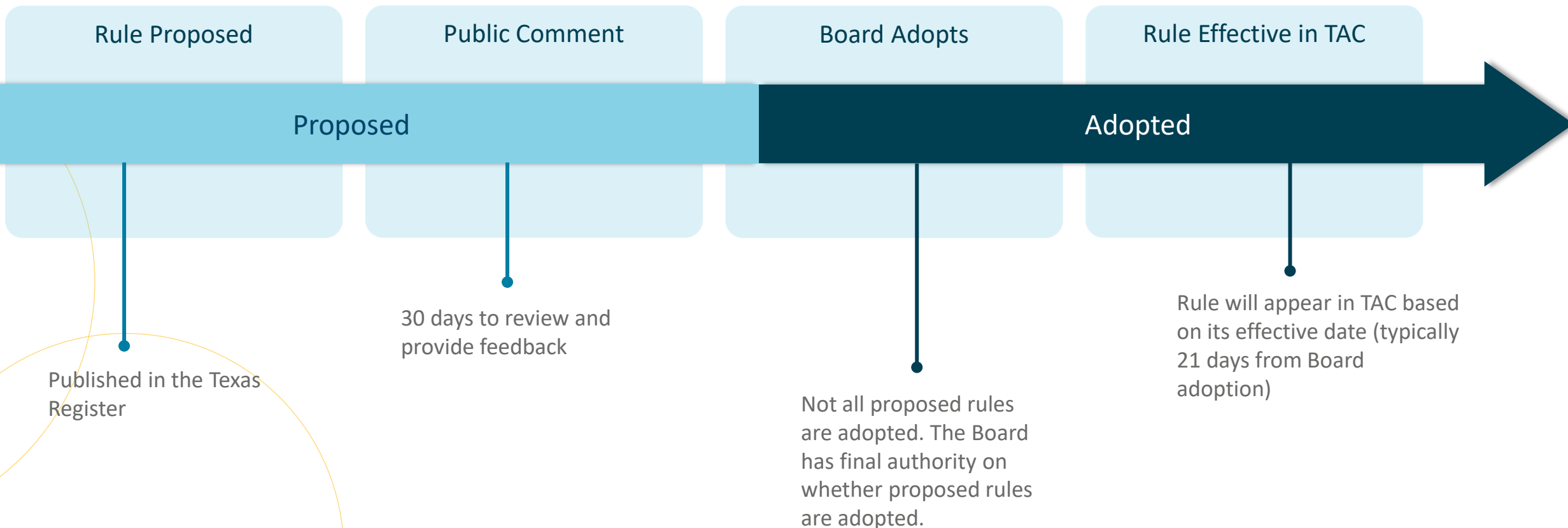
## Texas Administrative Code (TAC) = Rule

The TEC provides authority to state agencies, like the Texas Higher Education Coordinating Board (Coordinating Board) or Texas Education Agency, to carry out the laws in the TEC and other statutes through rulemaking in the TAC.

**Website:** [sos.state.tx.us](https://sos.state.tx.us)

A [webcast](#) was provided on June 26, 2025, which covered a walkthrough of the Texas Administrative Code and some best practices for navigating the site to view current and historical content.

# Rulemaking Process Overview:



# Staying Informed: Rulemaking Communications

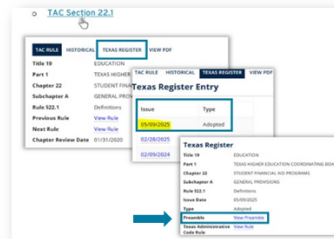
The Coordinating Board uses a listserv to notify institutions when new rules are proposed and after adoption by the board.

## Rule Changes Impacting State Financial Aid Effective November 13, 2025

### Texas Administrative Code (TAC) Rule Changes

For detailed information on any of the TAC rule changes listed below, click on the hyperlink for the applicable TAC rule and follow the steps provided:

- Click **TEXAS REGISTER** tab
- Click **Date Adopted** (e.g., 05/09/2025)
- Click **View Preamble**



Adopted: October 23, 2025  
Rules Effective: November 13, 2025

### Rules Applying to All Public Institutions of Higher Education in Texas – Chapter 4

#### Subchapter Z

**Uniform Standards for Publication of Cost of Attendance and Financial Aid Information:** Establishes authority and purpose, definitions, and substantive requirements of institutions relating to the publication of cost of attendance and financial aid information on their websites. The substance of this subchapter consists of the reconstituted Chapter 21, Subchapter PP, which was repealed in a separate rulemaking.

- [TAC Sections 4.390 – 4.393](#)

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As of 12/04/2025

## Rule Changes Impacting State Financial Aid Effective November 13, 2025

### Financial Planning – Chapter 13

Chapter 13 was revised to improve clarity and readability by restructuring rules, standardizing language, definitions, and terminology across the chapter, resolving ambiguities, clarifying rule applicability, and enhancing overall consistency.

#### Subchapter K

**Determination of Resident Status:** Updated existing provisions relating to resident status determinations and codifying current documentation practices for establishing residency and incorporate the requirements of a court order interpreting federal law, which mandates lawful presence as a condition of eligibility for resident tuition.

- [TAC Sections 13.191 – 13.203](#) **NEW**

#### Subchapter P

**Exemption and Waiver Programs:** Consolidates all existing rules relating to tuition exemptions and waivers; applies general provisions relating to program classification, reporting, and administration; and establishes new rules relating to the Paramedics Enrolled in Emergency Medical Services Courses Exemption Program and the Economic Development and Diversification Waiver.

- [TAC Sections 13.460 – 13.479](#) **NEW**

### Student Financial Aid Programs – Chapter 22

#### Subchapter I

**Texas Armed Services Scholarship Program:** Implements changes to scholarship amounts, appointments, program eligibility, and program administration made by House Bill 300, 89th Texas Legislature, Regular Session, which became effective June 20, 2025.

- [TAC Section 22.165](#)
- [TAC Section 22.168](#)
- [TAC Section 22.170](#)

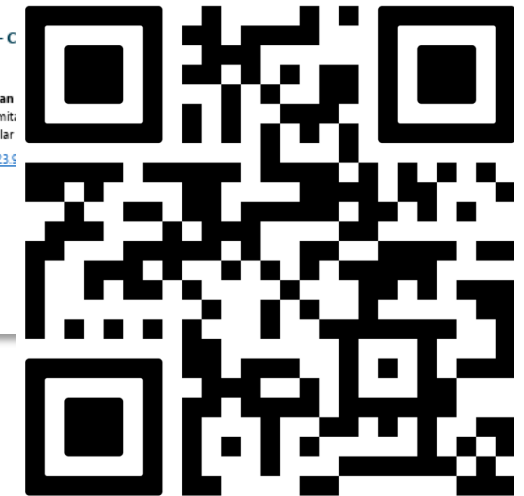
### Education Loan Repayment Programs – C

#### Subchapter D

**Mental Health Professionals Loan** eligibility criteria, and program limit: 646, 89th Texas Legislature, Regular

- [TAC Sections 23.94, 23.95](#)

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# Engagement and Collaboration

## Getting Involved

### Public Comment Process

- Allows stakeholders to provide input on proposed rules to the Coordinating Board prior to adoption.

### Negotiated Rulemaking

- Allows interested parties to engage in collaborative rulemaking planning with the Coordinating Board.

### Financial Aid Advisory Committee (FAAC)

- Appointed members meet quarterly to provide input and feedback to the agency on financial aid topics.

### FAAC Subcommittees

- Meet to discuss operational and technological considerations to provide feedback to the FAAC.

# Texas Administrative Code: Reorganization Efforts

## Chapter 13: Financial Planning

- Subchapter A: General Provisions
- Subchapter G: Tuition & Fees
- Subchapter K: Determination of Resident Status
- Subchapter P: Exemptions & Waivers
- Subchapter Q: FAST

## Chapter 23: Loan Repayment Assistance Programs

- Subchapter B: Teach for Texas
- Subchapter C: Physician Education
- Subchapter D: Mental Health Professionals
- Subchapter G: Nursing Faculty
- Subchapter H: Math & Science Scholars
- Subchapter K: Nurse

## Chapter 22: Student Financial Aid Programs

- Subchapter A: General Provisions
- Subchapter B: TEG
- Subchapter G: Texas College Work-Study
- Subchapter I: TASSP
- Subchapter L: TEXAS Grant
- Subchapter M: TEOG
- Subchapter R: Nursing Students Scholarship

## Chapter 24: Student Loan Programs

- Subchapter A: General Provisions
- Subchapter B: Loan Servicing
- Subchapter C: Annual Loan Debt Notice
- Subchapter D: CAL
- Subchapter E: FORWARD
- Subchapter F: TASSP Loans (if converted)

# Legislative Changes Impacting Financial Aid

Updates

# Student Financial Aid Legislation

## Improving Student Access

### Legislative Outcomes

Expanded high school students' access to earning college credit hours by increasing the number of eligible students served through the **Financial Aid for Swift Transfer (FAST)** program.

Increased scholarship eligibility and maximum amount for the **Texas Armed Services Scholarship** from \$15,000 to \$30,000 or more.

Expanded exemptions and waivers by broadening eligibility for certain student populations and tuition benefits.

Provided guaranteed **Texas Educational Opportunity Grant (TEOG)** or **Toward Excellence, Access, and Success (TEXAS)** Grants to eligible high-school graduates in the top 25% of their class.

Provided guaranteed **TEXAS Grant** funding for eligible TEOG pathway recipients.

# FAST Program

## Educationally Disadvantaged Status

Students can establish program eligibility based on educationally disadvantaged status in their **current year of enrollment**.

- Due to limited data available through state agencies, the **institution must confirm the student's status directly with the high school**.
- A student's educationally disadvantaged status must be determined **by census date**.

# FAST Program

## High School Enrollment Defined

- High school enrollment is defined as a student who:
  - Is enrolled in grades 9 through 12 in a Texas school district; **or**
  - Has graduated from high school but is enrolled in a school district campus designated as a Pathways in Technology Early College High School (P-TECH) or participating in a Rural Pathway Excellence Partnership (R-PEP) and is completing a course of study under an institutional agreement.

# FAST Program Implementation Status

Legislative changes were effective starting May 27, 2025, for the 2025-26 academic year.

Rules were adopted July 7, 2025, to implement legislative changes and became effective in the TAC on Sept. 1, 2025.

Updated resources (i.e., guidelines, websites, etc.) are in development.

# Texas Armed Services Scholarship Updates

## APPOINTMENT

- Deadline is **September 30**
- Lieutenant governor or speaker of the house of representatives can fill the vacancy

## SCHOLARSHIP ELIGIBILITY

- **Expanded academic eligibility** for initial scholarships to include continuing undergraduate and graduate students.
- Appointed student can submit proof of successful Reserve Officers' Training Corps (ROTC) completion (or similar program) or acceptance into the Texas State Guard officer commissioning program.

# Texas Armed Services Scholarship Updates

## MAXIMUM AMOUNT

- The Coordinating Board will announce the maximum scholarship amount each year by **January 31**.

## SCHOLARSHIP LIMITATIONS

- Limit of **four academic years**
- Limitations related to credit hour attainment or prior receipt of a baccalaureate degree have been removed

# Texas Armed Services Scholarship Implementation Status

Legislative changes were effective starting June 20, 2025, for the 2025-26 academic year.

Rules were adopted Oct. 23, 2025, to implement legislative changes and became effective in the TAC on Nov. 13, 2025.

Updated resources (i.e., guidelines, websites, etc.) are in development.

# Paramedic Exemption Program Updates

## PROGRAM PURPOSE

- Certain eligible paramedics are exempt from paying tuition and laboratory fees for eligible emergency medical services courses at public institutions of higher education.

## PROGRAM IDENTIFICATION

- Authorized individuals at institutions must identify and submit eligible emergency medical services programs to the Coordinating Board using the [Eligible Degree and Certificate Program Submission Form](#).
- The Coordinating Board will maintain and publish a [list of eligible programs](#) on its website.

# Paramedic Exemption Program Implementation Status

Legislative changes were effective starting June 20, 2025, for fall 2025.

Rules were adopted Oct. 23, 2025, to implement legislative changes and became effective in the TAC on Nov. 13, 2025.

A [memo on Nov. 11, 2025](#), with guidance on how institutions should submit eligible programs.

The **Eligible Degree Programs** listing webpage was published in Dec. 2025 on the SFAP website.

# Tuition Exemptions & Waivers Updates

## Foster Care

Raised the age by when a student must enroll in higher education to use the **foster care** exemption from 25 to 27.

Legislative changes were effective starting Sept. 1, 2025, for fall 2025.

## ROTC

Created a waiver to allow **nonresident ROTC** students to pay in-state tuition.

Legislative changes were effective starting June 1, 2025, for fall 2025.

# TEOG Program Update

## GRANT PRIORITY

- Institutions must prioritize students who graduated in the **top 25 percent of their high school class** and who have a priority student aid index (SAI).

# TEOG Program Implementation Status

Legislative changes were effective starting Sept 1, 2025, for the 2026-27 academic year.

Rules were adopted Jan. 22, 2026, to implement legislative changes and will become effective in the TAC on Feb. 12, 2026.

Updated resources (i.e., guidelines, websites, etc.) are in development.

# TEXAS Grant Updates

## GRANT PRIORITY

- Institutions must provide the grant to eligible students who graduated in the **top 25 percent of their high school class** and who have a priority SAI.
- Institutions must provide grants to students who are eligible for an initial grant through the TEOG Pathway.
- Funds will be allocated to participating institutions specifically to support initial year TEXAS Grants to TEOG pathway students.

## ELIGIBILITY

- **Expanded eligibility** to students who complete nontraditional secondary education (nonaccredited private school setting, including a home school.)

# TEXAS Grant Implementation Status

Legislative changes were effective starting June 20 and Sept 1, 2025, for the 2026-27 academic year.

Rules were posted on the Texas Register on Jan. 23, 2026, for public comment.

Updated resources (i.e., guidelines, websites, etc.) are in development.

# Policy Issue at a Glance

## TEXAS Grant Example

Table 23. Pathways for Initial Eligibility

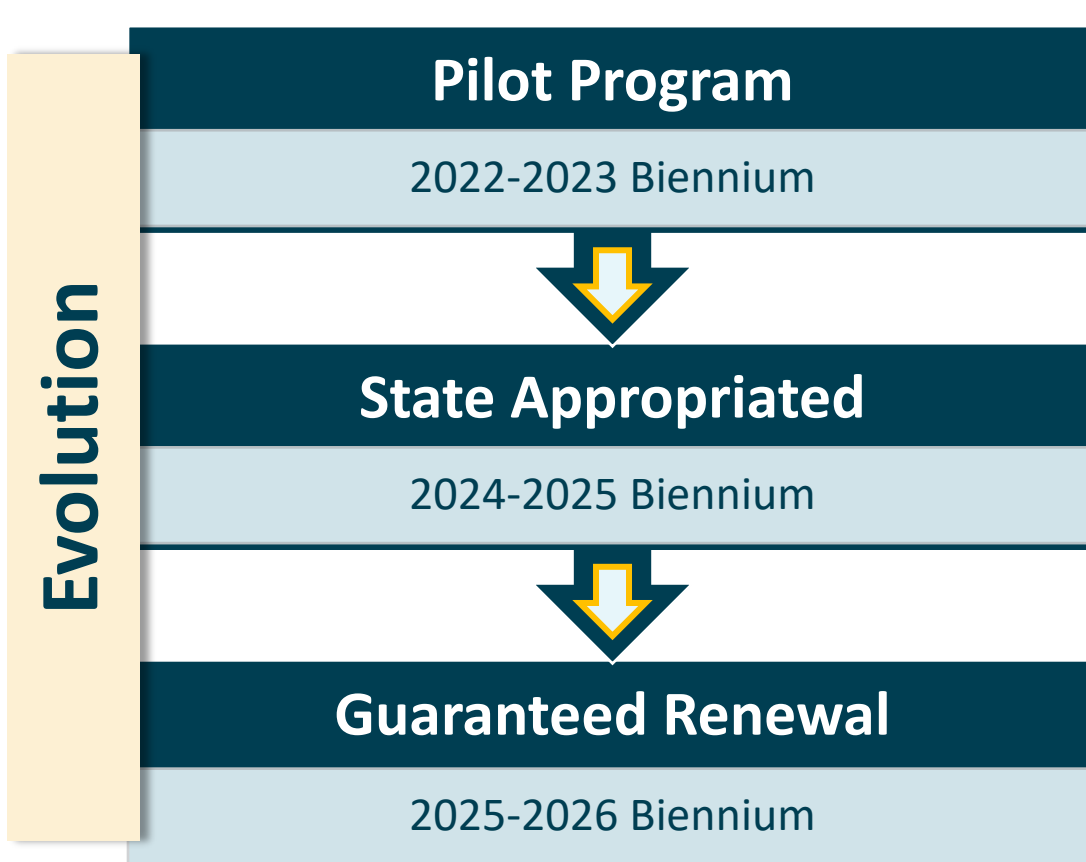
FY	High School Pathway		Associate Pathway		TEOG Pathway	
	% of Eligible	% of Recipients	% of Eligible	% of Recipients	% of Eligible	% of Recipients
2020	68.7%	95.6%	24.1%	4.1%	7.2%	0.3%
2021	68.7%	95.7%	23.9%	4.1%	7.4%	0.2%
2022	69.2%	90.6%	23.8%	9.0%	7.0%	0.3%
2023	72.6%	92.4%	21.0%	7.4%	6.4%	0.2%
2024	75.5%	94.1%	18.7%	5.8%	5.8%	0.1%

Source: FAD

Note: Less than .01% of students receive an initial TEXAS Grant through the military pathway.

# Texas Transfer Grant

Provides portable, need-based grant aid to high-achieving students who transfer from Texas public two-year to four-year institutions.



- Pilot program developed by the Coordinating Board and funded by U.S. Department of Education's Governor's Emergency Education Relief (GEER) Fund.
- MDRC, a non-profit social policy evaluator, assisted the Coordinating Board with design, implementation, and assessment of pilot grant program.

# Texas Transfer Grant

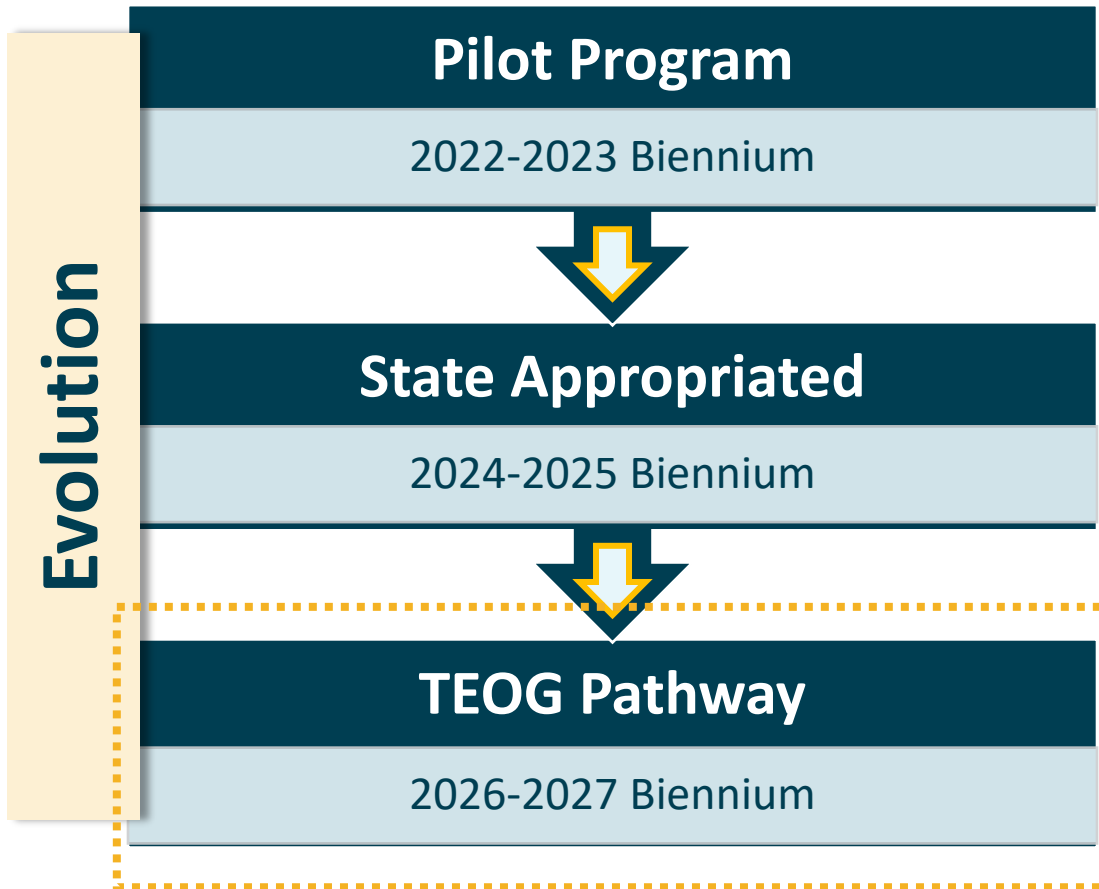
Provides portable, need-based grant aid to high-achieving students who transfer from Texas public two-year to four-year institutions.



- During 88th legislative session, program received state appropriations beginning with 2024-2025 biennium.
- Based on lessons learned from pilot, program structured as a decentralized program like other state block grants.

# TEOG Pathway

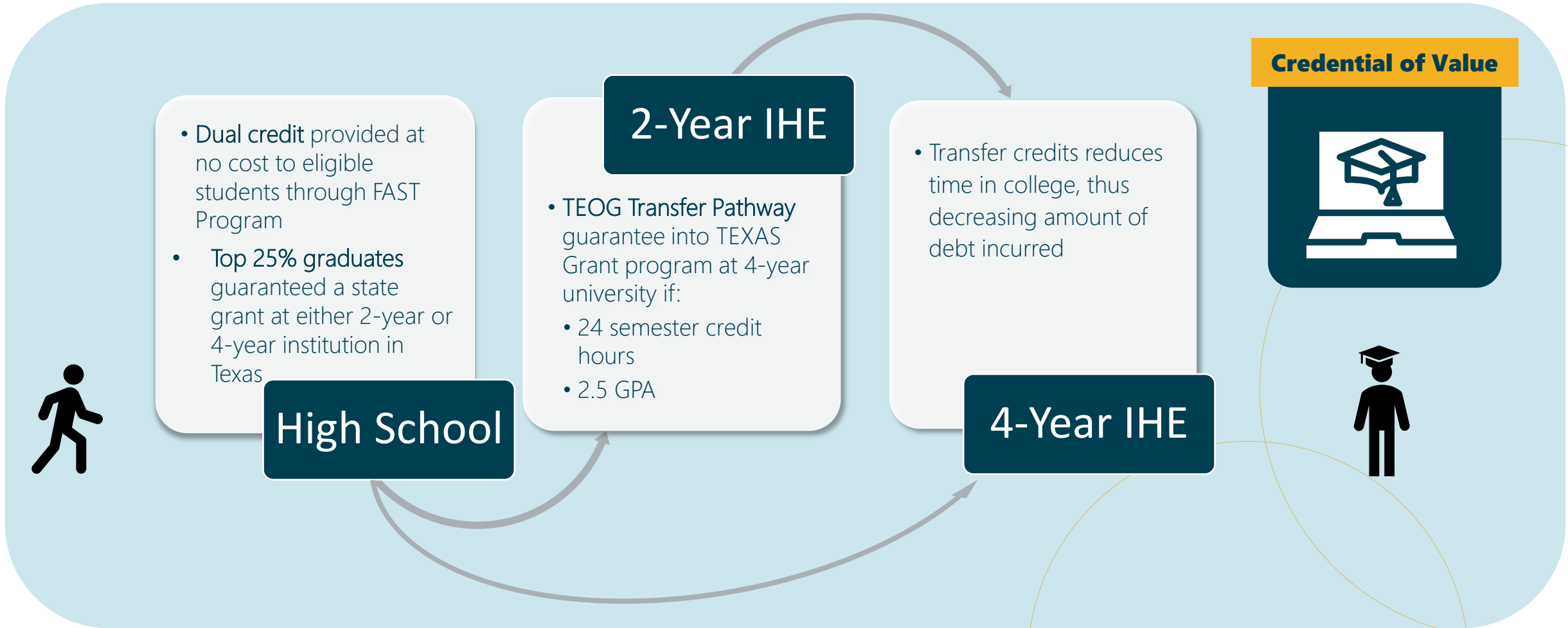
New approach emphasizes **predictability** and **portability** for students transferring to public universities in Texas.



The new approach emphasizes predictability and portability by allocating dedicated funding for eligible TEOG recipients to receive an initial-year TEXAS Grant through the TEOG pathway.

# Predictability and Portability

Access for students will improve as a result of the new legislation and increased funding.

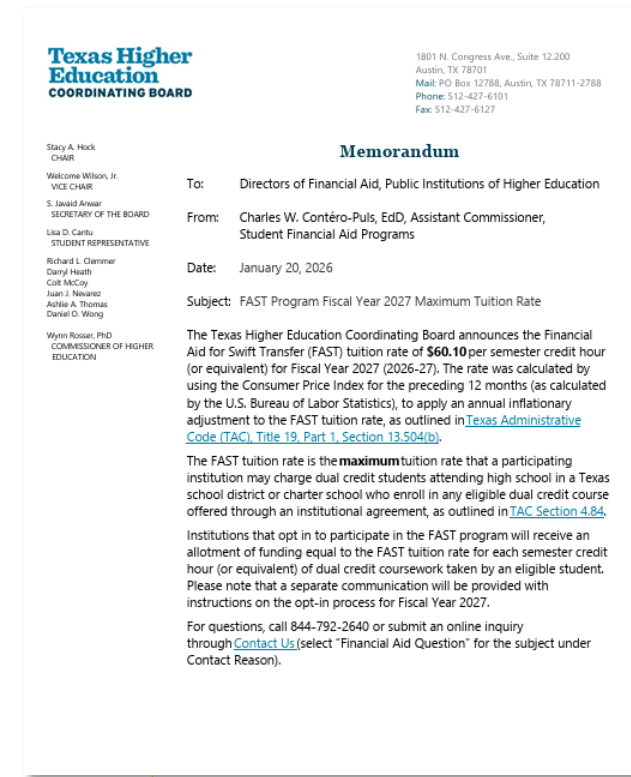


# Annual Updates

# FAST Program Tuition Rate Fiscal Year 2027

A memo was sent on Jan. 26, 2026, announcing the following:

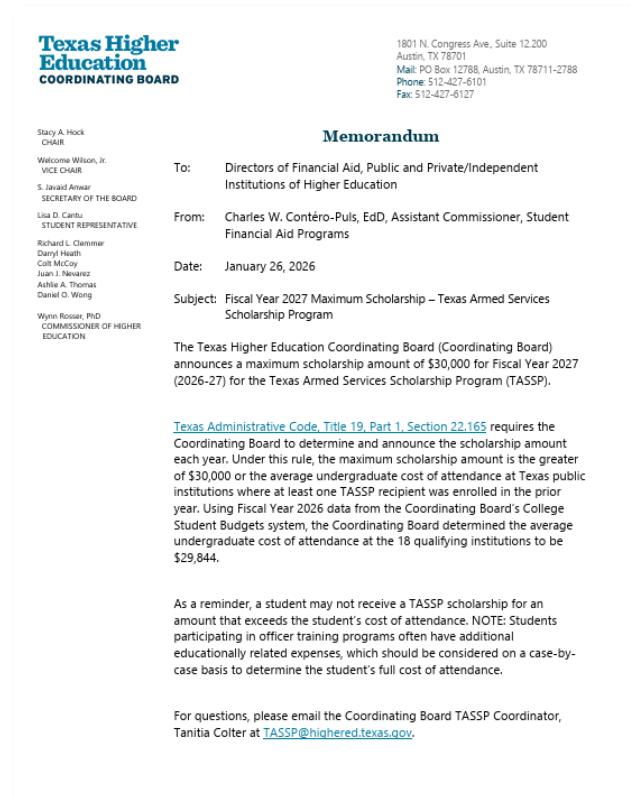
- The FAST program's maximum tuition rate for Fiscal Year 2027 is \$60.10 per semester credit hour or its equivalent.
- This rate is the maximum tuition a participating institution may charge for dual credit coursework for public school students.
- Participating institutions will receive funding equal to the FAST rate for each eligible credit hour taken by a qualifying student.



# Texas Armed Services Scholarship Maximum Amount Fiscal Year 2027

A [memo](#) was sent on Jan. 26, 2026, announcing the following:

- TASSP Fiscal Year 2027 maximum amount is \$30,000.
- Scholarship cannot exceed the student's cost of attendance.
  - Officer training students may have additional expenses; consider case-by-case when reviewing cost of attendance adjustments.



# TEXAS Grant and TEOG

## Maximum Amounts Fiscal Year 2027

A [memo](#) was sent on Jan. 27, 2026, announcing the following:

- The Fiscal Year 2027 priority SAI is \$6,478.
- Institutions must prioritize grants for students with the greatest financial need.
- The priority SAI is not an eligibility requirement, but a method to prioritize initial year grants under program rules.

Type of Institution	TEXAS Grant	TEXAS Grant Target Amount	TEOG
Public Universities & Health Related-Institutions	\$5,399/ semester	\$2,500/ semester	-
Public State Colleges	-	-	\$1,840/ semester
Public Technical Institutes	-	-	\$3,896/ semester
Public Community Colleges	-	-	\$2,134/ semester

# Nursing Students Scholarship Maximum Amounts Fiscal Year 2027

A [memo](#) was sent on Jan. 28, 2026, announcing the following:

- Institutions eligible for **TEXAS Grant and TEOG** may offer Nursing Scholarships each semester **up to the maximum grant amount** for their respective program.
- Institutions eligible for the Tuition Equalization Grant (TEG) may offer up to **half the annual TEG exceptional need maximum** per semester.

Program	Institution Type	Maximum Semester Amount
TEXAS Grant	Public Universities and Health Related Institutions	\$5,399
TEOG	Public State Colleges	\$1,840
	Public Technical Institutes	\$3,896
	Public Community Colleges	\$2,134
TEG	Private/Independent Institutions*	\$3,203

\*Defined by [Texas Education Code Section 61.003\(15\)](#) or an institution described by [Texas Education Code Section 61.651\(1\)\(C\)](#).

# Upcoming Annual Updates

Keep an eye out for the following communications between March - May:

- Intent to Participate
- 10-Day Data Reviews
- Allocations
- Title III Letter Collection
- Net Price Calculator
- FAAC Nominations

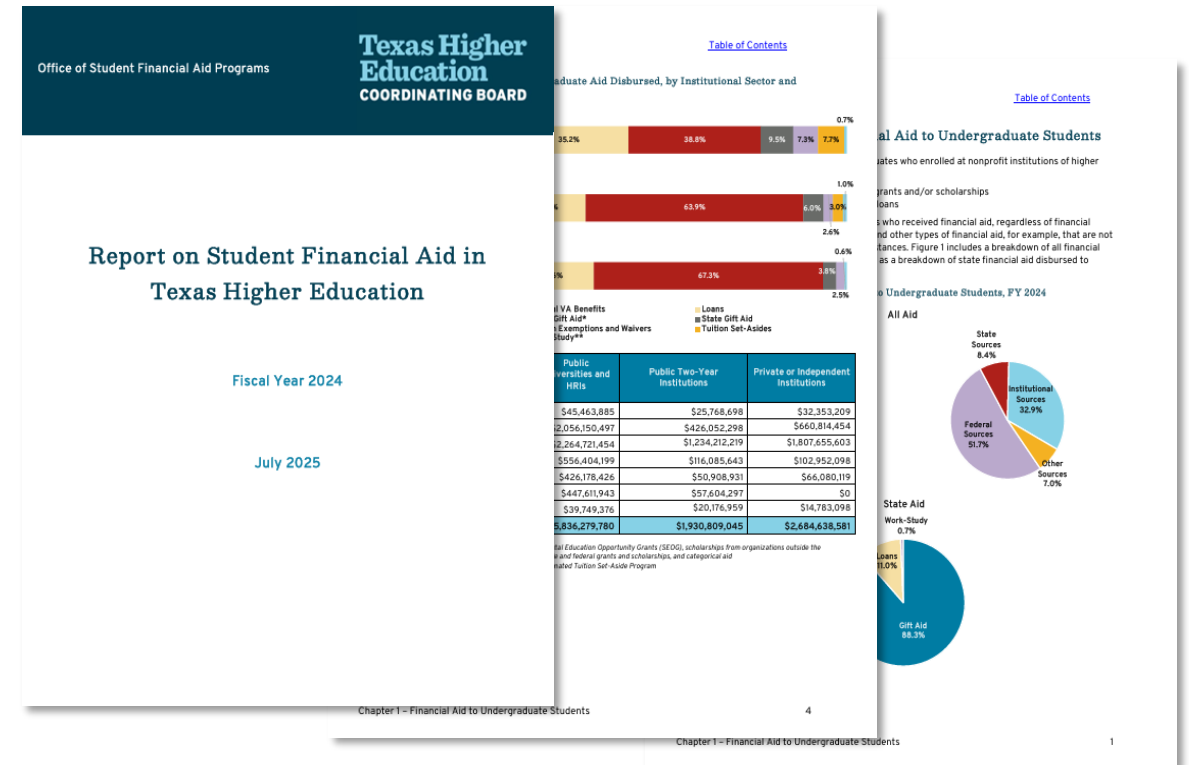
# Resources and Systems

Updates

# Financial Aid Database: Using Institutional Data to Support Students

The Financial Aid Database (FAD) Report:

- Collects institutional data for a variety of reports, including the annual statewide **Financial Aid Report**
- Informs state financial aid program **allocations**
- Supports **compliance monitoring and oversight**
- Measures and analyzes **student funding resources** across Texas institutions



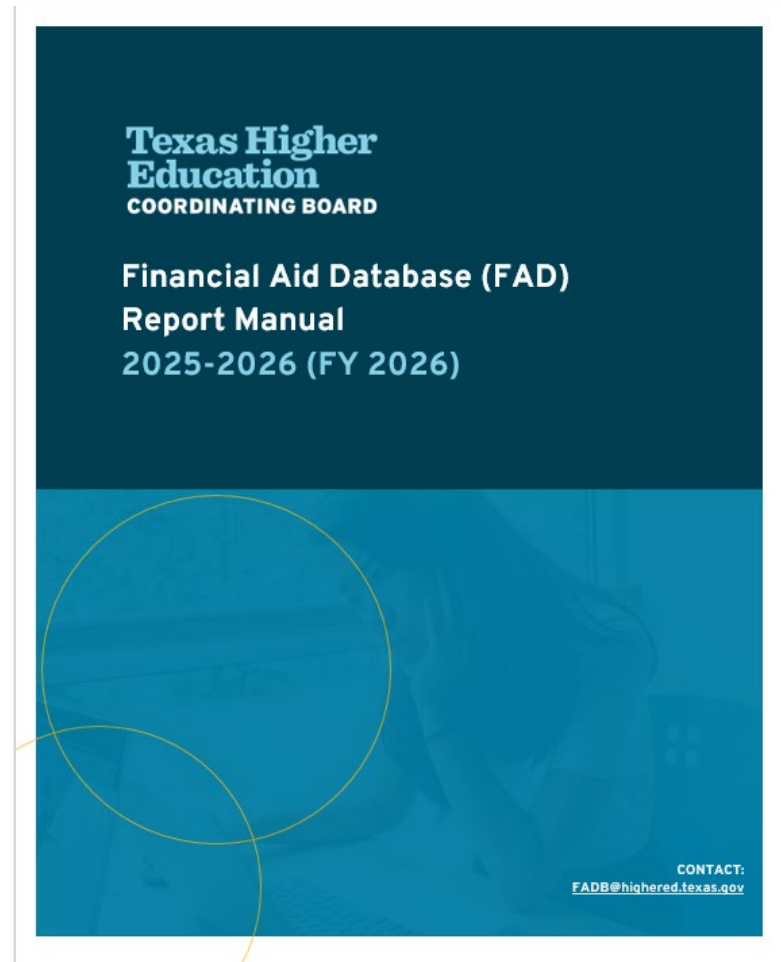
# FAD Reporting Updates and Enhancements

## Data Elements converted to FILLERs:

- **Data Element #24:** Formerly Living Arrangements
- **Data Element #37:** Formerly Student Aid Index
- **Data Elements #44-45:** Formerly Parent 1 and 2 Highest Grade Level
- **Data Element #98:** Formerly Defaulted Loan

## New or Updated Data Elements:

- **Data Element #9:** Justification code (18) was added to the list.
- **Data Elements #11, #14, #17, and #20:** Exemptions/Waivers for Reserve Officers' Training Corps (ROTC) and Paramedics were added to the list.
- **Data Element #36:** The second option in this element (Residency Status) was changed to "Nonresident".
- **Data Elements #54, #74, #78:** Ministry-related degree was removed from error list.
- **Data Element #97:** Texas Leadership Research Scholarship was added to Selective Service reporting.
- **Data Element #122:** Texas Leadership Research Scholars was added to separate it from Data Element #120 (Texas Leadership Scholars).



# Program Guidelines Consolidated

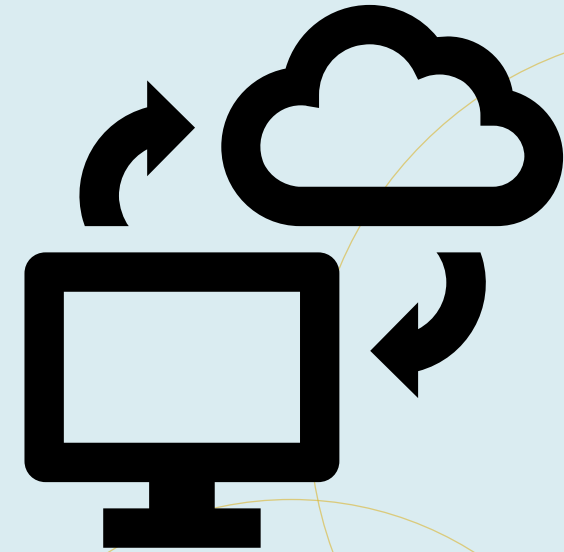
Fiscal Year 2027 (2026-27) **Program Guidelines** will be released as one comprehensive document, which aims to:

- Improve clarity and consistency
- Simplify navigation for institutions
- Support compliance and audit readiness
- Streamline updates and communications



# New Student Loan Management System Coming Soon...

- The new system will replace HELMS and the online portal HelmNet.
- System highlights include:
  - ✓ Digital documentation
  - ✓ Coordinating Board branding
  - ✓ Application tracking from submission to disbursement
  - ✓ Application updates
  - ✓ A dedicated borrower portal
  - ✓ 60-second credit decision
  - ✓ Self-service status updates
  - ✓ A dedicated data warehouse
  - ✓ Online document repository



# Contact Us

# Contact Student Financial Aid Programs

The following phone lines are available for borrower and the public:

## Borrower Services

- Student borrowers (cosigners): **(800) 242-3062**

## Texas Financial Aid Information Center

- Public line: **(888) 311-8881**

Contact Financial Aid Services in one of the following ways:

## Institutional Phone Line

- Institutions only: **(844) 792-2640**

## Online Inquiries

- [Contact Us](#) (select "Financial Aid Question" for the subject under Contact Reason).
- [GAPP Help Desk Ticket](#)



**Phone Lines**  
**Hours of Operation:**  
Mon-Fri  
8 a.m. to 5 p.m.  
**(Closed 12-1 p.m. daily)**

# Submit an Inquiry

To ensure inquiries are routed correctly, complete these steps:

- Select “**Institution**” in the Received From box and select the applicable institution in the Institution box.
- Select “**Email**” as the preferred method of contact.
- Always select “**Financial Aid Question**” as the Subject.
- Provide the best **direct phone number** in your inquiry.

The screenshot shows a web form titled "Contact Person". The form is divided into several sections, with key fields highlighted by blue boxes:

- Received From (Required):** A dropdown menu with "INSTITUTION" selected.
- Institution:** A dropdown menu with "Select an Institution" selected.
- Your Name (Required):** Three input fields for "Prefix", "First", and "Last".
- Contact Information:**
  - Your Email Address (Required):** Two input fields for "Email Address" and "Confirm Email Address".
  - Preferred Method of Contact (Required):** A dropdown menu with "Select a contact method" selected.
- Contact Reason:**
  - Is this a complaint?** Radio buttons for "Yes" and "No" (selected).
  - Subject (Required):** A dropdown menu with "Select a subject" selected.
  - Comment or Question (Required):** A large text area for the inquiry. Below it, a note states: "Please do NOT include your full Social Security Number inside the issue description. If you have a question about the status of a new loan application, accounts in repayment, or deferments, please use the last four digits of your SSN instead." Below the text area is a character count: "0 of 4000 max characters".
- Submit:** A button at the bottom of the form.

# Thank you!

We appreciate your feedback.

Please take a moment to complete our survey.



# Questions?

A woman in a white lab coat is looking at a laptop screen in a laboratory setting. The image is overlaid with a dark teal background and a thin yellow circular line on the left and right sides.

# **Texas Higher Education**

**COORDINATING BOARD**