



Texas Higher Education Coordinating Board
 Grants and Special Programs Department
 Rules Adopted October 2012

Amendments to the following rules under the purview of the Grants & Special Programs department were adopted by the Board at the meeting held on October 25, 2012, and will be in effect as of November 28, 2012.

Program	Chapter and Subchapter
Exemption Program for Veterans and their Dependents (The Hazlewood Act)	Chapter 21, Subchapter NN
Provisions for the License Plate Insignia Scholarship Program	Chapter 22, Subchapter H
Exemption for Peace Officers Enrolled in Law Enforcement or Criminal Justice Courses	Chapter 22, Subchapter U

Amendments are reflected in the following format:

- Deleted language is bracketed and struck through.
- When new language replaces deleted language, the new language precedes the deleted language and is in lowercase, underlined and shaded.

CHAPTER 21. STUDENT SERVICES

SUBCHAPTER NN. EXEMPTION PROGRAM FOR VETERANS AND THEIR DEPENDENTS (THE HAZLEWOOD ACT)

Amendments to Sections 21.2105 and 21.2107 are to authorize institutions to collect applications and supporting documentation on an annual or per-semester basis, whichever they choose. Annual documentation can lessen paperwork for the schools and students, but raises the possibility of required refunds if the applicant's eligibility changes in the course of a given academic year. The proposed amendments to the rules will let the institutions decide which approach to follow.

CHAPTER 21. STUDENT SERVICES

SUBCHAPTER NN. EXEMPTION PROGRAM FOR VETERANS AND THEIR DEPENDENTS (THE HAZLEWOOD ACT)

Section

- 21.2099. Authority and Purpose.
- 21.2100. Definitions.
- 21.2101. Hazlewood Act Exemption.
- 21.2102. Eligible Veterans.
- 21.2103. Eligible Spouses.
- 21.2104. Eligible Children.
- 21.2105. The Application.
- 21.2106. Supporting Documentation for the Initial Hazlewood Act Exemption Application.
- 21.2107. Subsequent Hazlewood Exemption Awards.
- 21.2108. Assigning Unused Hours to a Child (Hazlewood Legacy Act).
- 21.2109. Release of Data to the Board and Institutions.
- 21.2110. Reporting.

21.2099. - 21.2104. (No change.)

21.2105. The Application.

(a) Board staff shall produce and distribute a state-wide Hazlewood Act Exemption Application, requiring institutions to obtain the following information from applicants for the exemption:

- (1) general information about the veteran, spouse, and/or child,
- (2) point of entry, home of record, or residency information for the time that the veteran entered the service,
- (3) residency information for the time that the veteran, spouse or child wishes to use the exemption,
- (4) a certification of the validity of the information provided by the veteran, spouse, or child, and
- (5) a statement granting permission to the institution to release current term or semester and historic credit hour information to the Board and granting permission for the Board to share such data with any institution that the veteran, spouse, or child might attend.

(b) For an otherwise eligible veteran, spouse, or child to be entitled to a Hazlewood Act exemption in a given term or semester, he or she must have ~~provide~~ a completed Hazlewood Act Exemption Application and ~~provide~~ the supporting documentation on file with ~~to~~ the institution no later than one year after the institution provides written notice to the

applicant of his or her eligibility or receives written confirmation from the applicant acknowledging the applicant's awareness of his or her eligibility for the exemption, whichever is earlier.

(c) All institutions shall require the completed Hazlewood Act Exemption Application Form with supporting documentation at least once each year in which an exemption [~~for each exemption that~~] is granted.

21.2106. (No change.)

21.2107. Subsequent Hazlewood Exemption Awards.

(a) For each subsequent [~~term or semester of an~~] academic year in which the veteran, spouse, or child receives a Hazlewood Act Exemption, the institution shall confirm that the veteran, spouse, or child:

(1) has not exhausted his or her 150 credit hours of eligibility through the program since Fall 1995,

(2) resides in Texas or qualifies for an exception as provided in Section 21.2102 of this subchapter (relating to Eligible Veterans) (applies only to veterans), or is still classified as a resident student (applies only to a spouse or child),

(3) has no federal veteran's benefits that may be used only to pay tuition and fees, or, if he or she has such benefits, the value of such benefits is less than the person's Hazlewood Act Exemption, and

(4) is not in default on an education loan made or guaranteed by the State of Texas.

(b) At least once for [~~For~~] each [~~term or semester of an~~] academic year in which the veteran, spouse, or child receives a Hazlewood Act Exemption, he or she shall, as instructed by the institution, submit the appropriate program application to his or her institution.

21.2108. - 21.2110. (No change.)

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(THE HAZLEWOOD ACT)

Section

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- 21.2101. Hazlewood Act Exemption.
- 21.2102. Eligible Veterans.
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- 21.2108. Assigning Unused Hours to a Child (Hazlewood Legacy Act).
- 21.2109. Release of Data to the Board and Institutions.
- 21.2110. Reporting.

21.2099. Authority and Purpose.

(a) Authority. The authority for these rules is provided in Texas Education Code, Section 54.341 (previously 54.203), relating to an exemption for Texas veterans, their spouses, and dependents.

(b) Purpose. The purpose of these rules is to provide procedures and criteria for the administration of an exemption program for Texas veterans and dependents at public institutions of higher education.

21.2100. Definitions.

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

- (1) Attempted credit hours -- Hours for which the veteran is registered as of the first day of classes of a term or semester.
- (2) Board -- The Texas Higher Education Coordinating Board.
- (3) Census date -- The date in an academic term or semester for which an institution is required to certify a person's enrollment in the institution to the Board for the purposes of determining formula funding for the institution.

(4) Child or Children -- Persons who:

- (A) are the stepchildren, biological or adopted children of the veteran;
- or
- (B) were claimed as dependents on the federal income tax return of the veteran the preceding year or will be claimed as dependents on the veteran's federal income tax return for the current year.

(5) Contact hours -- A unit of measure that represents an hour of scheduled instruction given to students of which 50 minutes must be of direct instruction. Also referred to as clock hours.

(6) Dependent -- An individual who was claimed as a dependent for federal income tax purposes by the individual's parent or court-appointed legal guardian in a particular year and in the previous tax year. A veteran was a dependent if he or she was claimed as such by a parent or legal guardian during the veteran's year of entry into the service and in the previous tax year.

(7) Deployed -- A person is deployed if he or she is assigned to active military duty performed in a combat zone outside the United States.

(8) Extraordinary costs -- (for public junior colleges, public technical institutes, or public state colleges only) tuition and fee costs that exceed the average tuition and fee charges at the institution.

(9) Hazlewood Act Exemption -- The tuition and partial fee exemption authorized under Texas Education Code, Section 54.203.

(10) Hazelwood Legacy Act -- The tuition and partial fee exemption authorized under Texas Education Code, Section 54.203, as amended by Senate Bill 93, 81st Texas Legislature, June 1, 2009.

(11) Honorably discharged -- Released from active duty military service with an Honorable Discharge, General Discharge under Honorable Conditions, or Honorable Separation or Release from Active Duty, as documented by the Certificate of Release or Discharge from Active Duty (DD214) issued by the Department of Defense.

(12) Identification number -- An individual's social security number or school-assigned identification number.

(13) Institution -- A Texas public institution of higher education as defined in Texas Education Code, Section 61.003(8).

(14) Deposit fees -- Fees that an institution may collect under Texas Education Code, Section 54.502.

(15) Resident of Texas -- A resident of the State of Texas as determined in accordance with Chapter 21, Subchapter B, of this title (relating to Determination of Resident Status). Nonresident students who are eligible to pay resident tuition rates are not residents of Texas.

(16) Student service fees -- Fees that an institution may, under Texas Education Code, Sections 54.503, 54.5061 and 54.513, elect to charge to students to cover the cost of student services.

(17) Training -- Time spent as a member of the armed forces that is not included in the "Net Active Service" or the sum of "Net Active Service" indicated on the Certificate of Release or Discharge from Active Duty (DD214).

(18) Tuition -- All types of tuition that an institution may, under Texas Education Code, Chapter 54, collect from students attending the institution, including statutory tuition, discretionary tuition, designated tuition, and board-authorized tuition.

21.2101. Hazlewood Act Exemption.

(a) Subject to the following provisions, an institution shall exempt an eligible veteran, spouse, or child from the payment of tuition, fees, dues, and other required charges, other than deposit and student service fees. The exemption shall not apply to the payment of fees for services or items that are not required for enrollment in general or for items that are not required for the specific courses taken by the student.

(b) If the eligible veteran, spouse or child is entitled to federal veterans' education benefits that may be used solely for the payment of tuition and fees, he or she may claim the Hazlewood Act Exemption only if the value of such federal veterans' education benefits are less than the value of the exemption (tuition and fees other than deposit and student services fees). The total of such federal benefits and the exemption may not exceed the person's tuition and fees. A person's eligibility for the Hazlewood Act Exemption is not impacted by federal veterans' education benefits that may be used for purposes other than paying tuition and fees.

(c) An eligible veteran, spouse, or child is not entitled to the Hazlewood Act Exemption for more than 150 attempted credit hours.

(d) An eligible veteran, spouse, or child is entitled to the Hazlewood Act Exemption for an unlimited number of contact hours.

(e) If the Hazlewood Act Exemption is used to pay for only a portion of the hours taken during a given term or semester, an institution shall deduct the number of hours taken in the semester or term from the 150 hours of eligibility in a manner that is proportionate to the share of the applicable tuition and fees that were subject to the exemption. For hours dropped prior to the census date, the hours attributed to the Hazlewood Act shall be proportionate to the share of tuition and fee charges paid for through the Hazlewood exemption during that term.

(f) Except for correspondence courses, an institution is not permitted to provide the Hazlewood Act Exemption for tuition and fees related to continuing education courses for which the institution does not receive state formula funding, unless the governing board of the institution specifically chooses to provide the exemption for such courses.

(g) The governing board of a public junior college, public technical institute, or public state college as those terms are defined by Texas Education Code, Section 61.003, may establish a fee for extraordinary costs associated with a specific course or program and may determine that the exemption does not apply to this fee.

(h) In determining whether to admit a person to any certificate program or to any baccalaureate, graduate, postgraduate, or professional degree program, an institution may not consider the fact that the person is eligible for an exemption through this chapter.

21.2102. Eligible Veterans.

In order to be eligible to receive a Hazlewood Act Exemption, a veteran who claims the benefit for the first time beginning fall 2011 shall demonstrate that he or she currently resides in the state, unless he or she resides out of state solely due to his or her own (or a spouse's) current military orders, and:

(1) at the time he or she entered the service, was a resident of Texas, entered the service in the State of Texas, or declared Texas as his or her home of record in the manner provided by the military or other service;

(2) was honorably discharged from service;

(3) has no federal veteran's education benefits that may be used only for the payment of tuition and fees for the semester or, if the veteran has such benefits, the value of such benefits is less than the value of the Hazlewood Act Exemption for the relevant term;

(4) is not in default on an education loan made or guaranteed by the State of Texas;

(5) has attempted fewer than 150 credit hours using the Hazlewood Act Exemption beginning with fall of 1995;

(6) has followed the application procedures and schedules required by these provisions; and

(7) belongs to one of the following groups of individuals:

(A) nurses and honorably discharged members of the armed forces of the United States who served during the Spanish-American War or during World War I;

(B) nurses, members of the Women's Army Auxiliary Corps, members of the Women's Auxiliary Volunteer Emergency Service, and honorably discharged members of the armed forces of the United States who served during World War II except those who were discharged from service because they were over the age of 38 or because of a personal request on the part of the person that he be discharged from service;

(C) honorably discharged men and women of the armed forces of the United States who served during the Korean War which began on June 27, 1950, and ended on July 27, 1953; and

(D) all persons who:

(i) were honorably discharged from the armed forces of the United States after serving on active military duty for at least 181 days, excluding training; and

(ii) who served a portion of their active duty during:

(I) the Cold War which began on June 27, 1950;

(II) the Vietnam era which began on December 21, 1961, and ended on May 7, 1975;

(III) the Grenada and Lebanon era which began on August 24, 1982, and ended on July 31, 1984;

(IV) the Panama era which began on December 20, 1989, and ended on January 21, 1990;

(V) the Persian Gulf War which began on August 2, 1990, and ended on March 3, 1991;

(VI) the National Emergency by Reason of Certain Terrorist Attacks, which began on September 11, 2001; and

(VII) any future national emergency declared in accordance with federal law.

21.2103. Eligible Spouses.

In order to be eligible to receive a Hazlewood Act Exemption, veterans' spouses shall demonstrate that they:

(1) are spouses of:

(A) members of the U.S. Armed Forces who entered the service in the State of Texas, declared Texas as their home of record in the manner provided by the military or other service; or were residents of Texas when they entered the service and who

(i) were killed in action, or

(ii) died while in service, or

(iii) are missing in action, or

(iv) whose deaths are documented to be directly caused by illness or injury connected with service in the armed forces of the United States; or

(v) became totally disabled for purposes of employability according to the disability ratings of the Department of Veterans Affairs as a result of a service-related injury; or

(B) members of the Texas National Guard or Texas Air National Guard who:

(i) were killed since January 1, 1946 while on active duty either in the service of Texas or the United States; or

(ii) are totally disabled for purposes of employability according to the disability ratings of the Department of Veterans Affairs, regardless of whether the members are eligible to receive disability benefits from the department, as a result of a service-related injury suffered since January 1, 1946, while on active duty either in the service of this state or the United States.

(2) have no federal veteran's education benefits, based on the member's death or disability, that may be used only for the payment of tuition and fees for the semester, or, if the spouse has such benefits, the value of such benefits is less than the value of the spouse's Hazlewood Act Exemption; and

(3) are classified by their institutions as residents of Texas for the term or semester for which they claim the Hazlewood Act Exemption.

21.2104. Eligible Children.

In order to be eligible to receive a Hazlewood Act Exemption, children shall demonstrate that they:

(1) are children of:

(A) members of the U.S. Armed Forces who entered the service in the State of Texas, declared Texas as their home of record in the manner provided by the military or other service; or were residents of Texas when they entered the service and who:

(i) died while in service;

(ii) are missing in action;

(iii) whose deaths are documented to be directly caused by illness or injury connected with service in the armed forces of the United States; or

(iv) became totally disabled for purposes of employability according to the disability ratings of the Department of Veterans Affairs as a result of a service-related injury; or

(B) members of the Texas National Guard or Texas Air National Guard who:

(i) were killed since January 1, 1946 while on active duty either in the service of Texas or the United States; or

(ii) are totally disabled for purposes of employability according to the disability ratings of the Department of Veterans Affairs, regardless of whether the members are eligible to receive disability benefits from the department, as a result of a service-related injury suffered since January 1, 1946, while on active duty either in the service of this state or the United States.

(2) are 25 years of age or younger on the first day of the semester or other academic term for which the exemption is claimed unless the child is granted an extension in keeping with paragraph (3) of this section.

(3) are 25 years of age or older if the child is otherwise eligible for the exemption and provides his or her institution documentation from a physician indicating he or she suffered from a severe illness or other debilitating condition which prevented the child from using the exemption in the required timeframe. In this case, the student's eligibility shall be extended for a period of time equal to the time during which he or she experienced the illness or debilitating condition.

(4) have no federal veteran's education benefits, based on the parent's death or disability, that may be used only for the payment of tuition and fees, or, if the child has such benefits, the value of such benefits is less than the value of the child's Hazlewood Act Exemption; and

(5) are classified by their institutions as residents of Texas for the term or semester for which they claim the Hazlewood Act Exemption.

21.2105. The Application.

(a) Board staff shall produce and distribute a state-wide Hazlewood Act Exemption Application, requiring institutions to obtain the following information from applicants for the exemption:

- (1) general information about the veteran, spouse, and/or child,
- (2) point of entry, home of record, or residency information for the time that the veteran entered the service,
- (3) residency information for the time that the veteran, spouse or child wishes to use the exemption,
- (4) a certification of the validity of the information provided by the veteran, spouse, or child, and
- (5) a statement granting permission to the institution to release current term or semester and historic credit hour information to the Board and granting permission for the Board to share such data with any institution that the veteran, spouse, or child might attend.

(b) For an otherwise eligible veteran, spouse, or child to be entitled to a Hazlewood Act exemption in a given term or semester, he or she must have a completed Hazlewood Act Exemption Application and the supporting documentation on file with the institution no later than one year after the institution provides written notice to the applicant of his or her eligibility or receives written confirmation from the applicant acknowledging the applicant's awareness of his or her eligibility for the exemption, whichever is earlier.

(c) All institutions shall require the completed Hazlewood Act Exemption Application Form with supporting documentation at least once each year in which an exemption is granted.

21.2106. Supporting Documentation for the Initial Hazlewood Act Exemption Application.

(a) When applying for the first time for the Hazlewood Act Exemption, a veteran shall provide to the institution, along with the Hazlewood Act Exemption Application, the following supporting documentation:

- (1) a copy of the veteran's Certificate of Release or Discharge from Active Duty (DD214),
- (2) proof of the veteran's current status regarding eligibility for federal veterans' education benefits, and

(3) documentation of point of entry, home of record, or Texas residency at the time the veteran entered the service.

(b) When applying for the first time for the Hazlewood Act Exemption, a spouse or child shall provide to the institution the Hazlewood Act Exemption Application, along with the following supporting documentation:

(1) proof that the spouse's or parent veteran's death or disability was a result of injury or illness directly associated with service in the U.S. Armed Forces, or that the National Guard spouse or parent was killed or disabled while he or she was on active duty either in the service of Texas or the United States;

(2) proof of the spouse's or child's current status regarding eligibility for federal veterans' education benefits that are restricted for the use of paying tuition and fees and that were awarded on the basis of the spouse's or parent's service-related death or disability;

(3) if a child, proof that he or she is the child of an eligible veteran as defined in Section 21.2100(4) of this title (relating to Definitions);

(4) if a spouse, proof that he or she was the spouse of the veteran at the time the veteran died or is the spouse of an otherwise eligible member of the military who sustained a disabling injury or is classified as missing in action;

(5) documentation that the veteran spouse or parent, at the time he or she entered the service, was a resident of Texas, entered the service in the State of Texas, or declared Texas as his or her home of record in the manner provided by the military or other service; and

(6) (for the spouse or child of a disabled veteran or guardsman) documentation that the veteran has been rated by the Veterans' Administration as 100 percent unemployable due to his or her service-related injuries.

21.2107. Subsequent Hazlewood Exemption Awards.

(a) For each subsequent academic year in which the veteran, spouse, or child receives a Hazlewood Act Exemption, the institution shall confirm that the veteran, spouse, or child:

(1) has not exhausted his or her 150 credit hours of eligibility through the program since Fall 1995,

(2) resides in Texas or qualifies for an exception as provided in Section 21.2102 of this subchapter (relating to Eligible Veterans) (applies only to veterans), or is still classified as a resident student (applies only to a spouse or child),

(3) has no federal veteran's benefits that may be used only to pay tuition and fees, or, if he or she has such benefits, the value of such benefits is less than the person's Hazlewood Act Exemption, and

(4) is not in default on an education loan made or guaranteed by the State of Texas.

(b) At least once for each academic year in which the veteran, spouse, or child receives a Hazlewood Act Exemption, he or she shall, as instructed by the institution, submit the appropriate program application to his or her institution.

21.2108. Assigning Unused Hours to a Child (Hazlewood Legacy Act).

(a) An eligible veteran or, if the eligible veteran has died, his or her spouse, or child's conservator, guardian, custodian, or other legally designated caretaker (if the child does not otherwise qualify for an exemption under Texas Education Code, Section 54.203(b)), may elect to waive the eligible veteran's right to all unused hours for which he or she is eligible (up to the maximum 150 semester credit hours). By completing the relevant forms provided through the Board website and submitting them to the institution, the veteran, his or her spouse, or child's conservator, guardian, custodian, or other legally designated caretaker may:

(1) assign the unused hours to one of his or her children; and

(2) if the child to which the hours have been assigned fails to use all available credit hours, assign the remaining hours to another of his or her children.

(b) For an otherwise eligible veteran to assign his or her unused hours to a child through the Hazlewood Legacy Program (applies to new recipients fall, 2011), he or she must:

(1) reside in Texas, or

(2) demonstrate that he or she is out of state only because of his or her own (or a spouse's) current military orders and the orders and most recent three months' Leave and Earnings Statements (LES) show Texas to be the person's home. If the orders and LES do not both indicate Texas as the person's home, other documentation must be provided to support the person's claim to domicile in Texas.

(c) For an otherwise eligible child to be entitled to a Hazlewood Act exemption through the Hazlewood Legacy Program in a given term or semester, he or she must:

(1) be a resident of Texas;

(2) make satisfactory academic progress in a degree, certificate, or continuing education program as determined by the institution; except, the child is not required to enroll in a minimum course load;

(3) provide his or her institution a completed Hazlewood Act Exemption Application and the supporting documentation to the institution no later than one year after the institution provides written notice to the applicant of his or her eligibility or receives written confirmation from the applicant acknowledging the applicant's awareness of his or her eligibility for the exemption, whichever is earlier.

21.2109. Release of Data to the Board and Institutions.

The veteran, spouse, or child shall execute a statement, consenting to the release of the number of hours taken in the current academic year and in all previous academic years to the Board and to any institution that he or she may attend.

21.2110. Reporting.

All institutions shall report, by means specified by the Board, data related to the veterans, spouses, and children who receive exemptions under this subchapter. Such data will include:

- (1) the name of the institution;
- (2) the name, identification number and date of birth of each individual receiving benefits for the semester;
- (3) for each individual receiving benefits, the number of credit hours for which the individual received an exemption for the semester;
- (4) for each individual receiving benefits, the cumulative number of credit hours for which the individual has received an exemption at the institution; and
- (5) any other information required by the Board.

CHAPTER 22. GRANTS AND SCHOLARSHIP PROGRAMS

SUBCHAPTER H. PROVISIONS FOR THE LICENSE PLATE INSIGNIA SCHOLARSHIP PROGRAM

The amendment in Section 22.145(c) aligns the language in rule with the statute, and clarifies that funds received through the License Plate Insignia Program are to be used to make scholarships to students with need or to make grants through the Texas Public Educational Grant Program.

The amendments in Sections 22.147(2) and (3) clarify new procedures for community colleges and private institutions regarding the frequency and process by which the Board will issue funds to the institutions, and eliminates scholarship application processing at the Coordinating Board for students receiving scholarships at private or independent institutions.

CHAPTER 22. GRANT AND SCHOLARSHIP PROGRAMS

SUBCHAPTER H. PROVISIONS FOR THE LICENSE PLATE INSIGNIA SCHOLARSHIP PROGRAM.

Section

- 22.141. Authority and Purpose.
- 22.142. Definitions.
- 22.143. Institutions.
- 22.144. Eligible Students.
- 22.145. Award Amounts and Uses.
- 22.146. Allocations and Reallocations.
- 22.147. Disbursements.
- 22.148. Dissemination of Information and Rules.

22.141. - 22.144. (No change.)

22.145. Award Amounts and Uses.

(a) Funding. No awards may be made by an institution in excess of the amount of money on balance at the State Comptroller's Office for that institution, generated through the sale of special license plates bearing the institution's insignia.

(1) The License Plate Insignia Scholarship Program is funded through funds paid to the department for the purchase of automobile license plates bearing the insignia of Texas colleges and universities. The amount of money available for scholarships to students at each institution will depend on the number of license plates purchased with that school's insignia.

(2) Funds for license plates bearing the insignia of public senior colleges and universities will be held on deposit by the State Comptroller's Office, for the institutions to draw down as needed. Funds for license plates bearing the insignia of other public, private and independent institutions will be deposited in the State Treasury to the credit of the Board, which in turn will allocate the funds to the relevant institutions.

(b) Award Amount. No award received through this program may exceed a student's financial need.

(c) Uses. ~~[No scholarship disbursed to a student may be used for any purpose other than for meeting the cost of attending an approved institution.]~~ Institutions may only use funds generated through the sale of license plates under Texas Transportation Code, Section 504.615, to issue scholarships to students with financial need or to issue need-based grants through the Texas Public Educational Grant Program, authorized in Texas Education Code, Sections 56.031 through 56.039.

(d) Over Awards. If, at a time after an award has been offered by the institution and accepted by the student, the student receives assistance that was not taken into account in the student's estimate of financial need, so that the resulting sum of assistance exceeds the student's financial need, the institution is not required to adjust the award under this program unless the sum of the excess resources is greater than \$300.

22.146. (No change.)

22.147. Disbursements.

Awards are to be made to eligible students at each institution in accordance with these rules and regulations.

(1) For public senior colleges and universities. The department deposits funds from purchased license plates directly into the institution's account at the State Comptroller's Office. Therefore, public senior colleges and universities may draw from those funds as appropriate to make awards to eligible students.

(2) For other [public] institutions. Funds will be made available to the institution through the Board. At least once per year [quarter] the Board will send the institution [a state warrant for] the amount of License Plate Insignia Scholarship funds generated through the sale of license plates and deposited by the department in the State Comptroller's Office for that institution. An institution that accumulates a balance of funds exceeding \$500 may request and receive up to three supplemental disbursements in a given year.

~~[(3) For private or independent institutions. At the beginning of each fiscal year and periodically as funds are deposited in the State Comptroller's Office by the department, the Board will notify the institution as to the amount of funds available for awarding as scholarships. On receipt of a student's application and certification by the financial aid officer of the amount of the scholarship for which the student is eligible, the Board shall forward funds to the institution for disbursement to the students.]~~

22.148. (No change.)

CHAPTER 22. GRANT AND SCHOLARSHIP PROGRAMS

SUBCHAPTER H. PROVISIONS FOR THE LICENSE PLATE INSIGNIA SCHOLARSHIP PROGRAM.

Section

- 22.141. Authority and Purpose.
- 22.142. Definitions.
- 22.143. Institutions.
- 22.144. Eligible Students.
- 22.145. Award Amounts and Uses.
- 22.146. Allocations and Reallocations.
- 22.147. Disbursements.
- 22.148. Dissemination of Information and Rules.

22.141. Authority and Purpose.

(a) Authority. Authority for this subchapter is provided in the Texas Transportation Code regarding Collegiate License Plates. These rules establish procedures to administer the subchapter as prescribed in the Texas Transportation Code, Section 504.615, generally known as the License Plate Insignia Scholarship Program.

(b) Purpose. The purpose of the License Plate Insignia Scholarship Program is to provide financial assistance to needy students attending eligible public or independent colleges or universities in Texas.

22.142. Definitions.

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

- (1) Board – the Texas Higher Education Coordinating Board.
- (2) Cost of Attendance – A Board-approved estimate of the expenses incurred by a typical financial aid recipient in attending a particular college or university. It includes direct educational costs (tuition, fees, books and supplies) as well as indirect costs (room and board, transportation, and personal expenses).
- (3) Department – Texas Department of Transportation.
- (4) Expected Family Contribution – The amount of discretionary income that should be available to a student from his or her resources and that of his or her family, as determined following the federal methodology.

(5) Financial need – The cost of attendance at a particular public or private institution of higher education less the expected family contribution and any gift aid for which the student is entitled. The cost of education and family contribution figures are to be determined in accordance with Board guidelines. Federal and state veterans' educational and special combat pay benefits are not to be considered in determining a student's financial need.

22.143. Institutions.

(a) Eligibility.

(1) Any college or university defined as a public, private or independent institution of higher education by Texas Education Code, Section 61.003, is eligible to participate in the License Plate Insignia Scholarship Program.

(2) No institution may, on the grounds of race, color, national origin, gender, religion, age, or disability exclude an individual from participation in, or deny the benefits of the program described in this subchapter.

(3) Each participating institution must follow the Civil Rights Act of 1964, Title VI (Public Law 88-353) in avoiding discrimination in admissions.

(b) Approval. Each approved institution must enter into an agreement with the Board, the terms of which shall be prescribed by the Commissioner.

(c) Responsibilities.

(1) Probation Notice. If the institution is placed on public probation by its accrediting agency, it must immediately advise grant recipients of this condition and maintain evidence in each student's file to demonstrate that the student was so informed.

(2) Disbursements to Students.

(A) Documentation. The institution must maintain records to prove the receipt of program funds by the student or the crediting of such funds to the student's school account.

(B) Procedures in Case of Illegal Disbursements. If the Commissioner has reason for concern that an institution has disbursed funds for unauthorized purposes, the Board will notify the institution and offer an opportunity for a hearing pursuant to the procedures outlined in Chapter 1 of this title (relating to Agency Administration). Thereafter, if the Board determines that funds have been improperly disbursed, the institution shall become primarily responsible for restoring the funds to the Board. No further disbursements of grants or

scholarships shall be permitted to students at that institution until the funds have been repaid.

(3) Reporting Requirements/Deadlines. All institutions must meet Board reporting requirements in a timely fashion. Such reporting requirements shall include the Financial Aid Database Report as well as progress and year-end reports of program activities.

(4) In addition, the institution must meet the Department of Transportation's requirements for designing and issuing license plates bearing the institution's insignia.

22.144. Eligible Students.

In order to qualify for an award through this program a student must demonstrate financial need.

22.145. Award Amounts and Uses.

(a) Funding. No awards may be made by an institution in excess of the amount of money on balance at the State Comptroller's Office for that institution, generated through the sale of special license plates bearing the institution's insignia.

(1) The License Plate Insignia Scholarship Program is funded through funds paid to the department for the purchase of automobile license plates bearing the insignia of Texas colleges and universities. The amount of money available for scholarships to students at each institution will depend on the number of license plates purchased with that school's insignia.

(2) Funds for license plates bearing the insignia of public senior colleges and universities will be held on deposit by the State Comptroller's Office, for the institutions to draw down as needed. Funds for license plates bearing the insignia of other public, private and independent institutions will be deposited in the State Treasury to the credit of the Board, which in turn will allocate the funds to the relevant institutions.

(b) Award Amount. No award received through this program may exceed a student's financial need.

(c) Uses. Institutions may only use funds generated through the sale of license plates under Texas Transportation Code, Section 504.615, to issue scholarships to students with financial need or to issue need-based grants through the Texas Public Educational Grant Program, authorized in Texas Education Code, Sections 56.031 through 56.039.

(d) Over Awards. If, at a time after an award has been offered by the institution and accepted by the student, the student receives assistance that was not taken into account in the student's estimate of financial need, so that the resulting sum of assistance exceeds the

student's financial need, the institution is not required to adjust the award under this program unless the sum of the excess resources is greater than \$300.

22.146. Allocations and Reallocations.

Each institution will have at its disposal the portion of funds generated through the sale of its own license plates in accordance with Texas Transportation Code, Section 504.615.

22.147. Disbursements.

Awards are to be made to eligible students at each institution in accordance with these rules and regulations.

(1) For public senior colleges and universities. The department deposits funds from purchased license plates directly into the institution's account at the State Comptroller's Office. Therefore, public senior colleges and universities may draw from those funds as appropriate to make awards to eligible students.

(2) For other institutions. Funds will be made available to the institution through the Board. At least once per year the Board will send the institution the amount of License Plate Insignia Scholarship funds generated through the sale of license plates and deposited by the department in the State Comptroller's Office for that institution. An institution that accumulates a balance of funds exceeding \$500 may request and receive up to three supplemental disbursements in a given year.

22.148. Dissemination of Information and Rules.

The Board is responsible for publishing and disseminating general information and program rules for the program described in this subchapter.

CHAPTER 22. GRANTS AND SCHOLARSHIP PROGRAMS

SUBCHAPTER U. EXEMPTION FOR PEACE OFFICERS ENROLLED IN LAW ENFORCEMENT OR CRIMINAL JUSTICE COURSES

The enabling legislation (TEC 54.2081 and TEC 54.353) indicates that participating peace officers must be undergraduate students. This is currently incorrectly expressed in Board rules as a restriction that a peace officer may enroll only in undergraduate courses. To align Board rules with the legislation, Section 22.531 is amended by adding a definition of "undergraduate student," Section 22.533 is amended to indicate the peace officer must be enrolled as an undergraduate student, and Section 22.534 is amended to remove the restriction that only undergraduate courses may be taken.

CHAPTER 22. GRANT AND SCHOLARSHIP PROGRAMS

SUBCHAPTER U. EXEMPTION FOR PEACE OFFICERS ENROLLED IN LAW ENFORCEMENT OR CRIMINAL JUSTICE COURSES

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22.530.	Authority and Purpose.
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22.533.	Eligible Peace Officers.
22.534.	Eligible Courses.
22.535.	Excess Hours.
22.536.	Degree and Certificate Programs and Courses Eligible for the Exemption.
22.537.	Report to Legislature.

22.530. (No change.)

22.531. Definitions.

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

- (1) Board – The Texas Higher Education Coordinating Board.
- (2) Commissioner – The Commissioner of Higher Education, the Chief Executive Officer of the Board.
- (3) Criminal Justice Courses – Courses determined by an institution to be a part of a criminal justice degree or certificate program.
- (4) Governing Board – As defined in Texas Education Code, Section 61.003.
- (5) Institution of Higher Education or Institution – Any public institution of higher education as defined in Texas Education Code, Section 61.003.
- (6) Laboratory Fees – Fees authorized through Texas Education Code, Section 54.501.
- (7) Law Enforcement Courses – Courses determined by an institution to be a part of a law enforcement-related degree or certificate program.
- (8) Peace Officer – An individual employed as a peace officer by this state or a political subdivision of the state.
- (9) Program – The Exemption Program for Peace Officers Enrolled in Law Enforcement or Criminal Justice Courses.

(10) Tuition – Includes statutory tuition, designated tuition and governing board-authorized tuition.

(11) Undergraduate Student – A person classified by his or her institution as an undergraduate.

22.532. (No change.)

22.533. Eligible Peace Officers.

To qualify, a Peace Officer must:

(1) be an undergraduate student enrolled in an eligible criminal justice or law enforcement-related degree or certificate program at the institution pursuant to this subchapter,

(2) apply for the exemption at least one week before the last day of the institution's regular registration period for that semester, and

(3) be in compliance with the institution's financial aid satisfactory academic progress requirements.

22.534. Eligible Courses.

(a) Only [undergraduate] courses pertaining to [~~the major requirements of~~] law enforcement-related or [~~and~~] criminal justice degree or certificate programs are eligible for the tuition and laboratory fees exemption.

(b) No more than 20 percent of the maximum student enrollment designated by the institution for a given law enforcement or criminal justice class may receive an exemption under this Program.

(c) Pursuant to Texas Education Code, Section 54.545, the exemption does not apply to courses that do not receive Texas Education Code Section 61.059 formula funding.

22.535. – 22.537. (No change.)

CHAPTER 22. GRANT AND SCHOLARSHIP PROGRAMS

SUBCHAPTER U. EXEMPTION FOR PEACE OFFICERS ENROLLED IN LAW ENFORCEMENT
OR CRIMINAL JUSTICE COURSES

Section

- 22.530. Authority and Purpose.
- 22.531. Definitions.
- 22.532. Tuition and Laboratory Fees Exemption.
- 22.533. Eligible Peace Officers.
- 22.534. Eligible Courses.
- 22.535. Excess Hours.
- 22.536. Degree and Certificate Programs and Courses Eligible for the Exemption.
- 22.537. Report to Legislature.

22.530. Authority and Purpose.

(a) Authority. Authority for this subchapter is provided in the Texas Education Code, Section 54.2081, Peace Officers Enrolled in Certain Courses. These rules establish procedures to administer this exemption program.

(b) Purpose. The purpose of this program is to provide an exemption from tuition and laboratory fees for criminal justice or law enforcement course or courses to eligible persons employed as peace officers by this state or a political subdivision of the state.

22.531. Definitions.

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

- (1) Board – The Texas Higher Education Coordinating Board.
- (2) Commissioner – The Commissioner of Higher Education, the Chief Executive Officer of the Board.
- (3) Criminal Justice Courses – Courses determined by an institution to be a part of a criminal justice degree or certificate program.
- (4) Governing Board – As defined in Texas Education Code, Section 61.003.
- (5) Institution of Higher Education or Institution – Any public institution of higher education as defined in Texas Education Code, Section 61.003.

(6) Laboratory Fees – Fees authorized through Texas Education Code, Section 54.501.

(7) Law Enforcement Courses – Courses determined by an institution to be a part of a law enforcement-related degree or certificate program.

(8) Peace Officer – An individual employed as a peace officer by this state or a political subdivision of the state.

(9) Program – The Exemption Program for Peace Officers Enrolled in Law Enforcement or Criminal Justice Courses.

(10) Tuition – Includes statutory tuition, designated tuition and governing board-authorized tuition.

(11) Undergraduate Student – A person classified by his or her institution as an undergraduate.

22.532. Tuition and Laboratory Fees Exemption.

Each institution of higher education shall exempt Eligible Peace Officers, as determined under this subchapter, from the payment of tuition and laboratory fees for courses offered as part of a law enforcement-related or criminal justice degree or certificate program.

22.533. Eligible Peace Officers.

To qualify, a Peace Officer must:

(1) be an undergraduate student enrolled in an eligible criminal justice or law enforcement-related degree or certificate program at the institution pursuant to this subchapter,

(2) apply for the exemption at least one week before the last day of the institution's regular registration period for that semester, and

(3) be in compliance with the institution's financial aid satisfactory academic progress requirements.

22.534. Eligible Courses.

(a) Only courses pertaining to law enforcement-related or criminal justice degree or certificate programs are eligible for the tuition and laboratory fees exemption.

(b) No more than 20 percent of the maximum student enrollment designated by the institution for a given law enforcement or criminal justice class may receive an exemption under this Program.

(c) Pursuant to Texas Education Code, Section 54.545, the exemption does not apply to courses that do not receive Texas Education Code Section 61.059 formula funding.

22.535. Excess Hours.

A person who has reached the limit of undergraduate hours for which the state will provide formula funding as specified in the Texas Education Code, Section 61.0595(a) (relating to Funding for Certain Excess Undergraduate Credit Hours), is not eligible for the exemption described in this subchapter.

22.536. Degree and Certificate Programs and Courses Eligible for the Exemption.

(a) Degree and certificate programs eligible for the exemption described in this subchapter shall be identified by the institutions and compiled into a list by the Coordinating Board. A uniform listing of approved degree and certificate programs shall be posted on the Coordinating Board web site.

(b) Courses eligible for the exemption will be identified by the institution.

(1) The exemption described in this subchapter only applies to courses that are specifically related to a degree or certificate program included in the list posted by the Coordinating Board.

(2) The exemption does not apply to courses that make up the general education core curriculum required for all degrees. The exemption does not apply to courses that are not law enforcement or criminal justice courses even if they are included in the law enforcement-related or criminal justice degree or certificate program in which an individual is enrolled.

22.537. Report to Legislature.

If the Legislature does not specifically appropriate funds to an institution of higher education in an amount sufficient to pay the institution's costs in complying with this subchapter for a semester, the governing board of the institution shall report to the Senate Finance Committee and the House Appropriations Committee the cost to the institution of complying with this section for that semester.

KEEP UP-TO-DATE WITH COORDINATING BOARD RULES

The Coordinating Board meets every October, January, April and July. Rules adopted by the Board become effective 20 days after being filed with the Texas Register.

Program rules are periodically changed, and current rules can be accessed via the Coordinating Board website. The Texas Administrative Code (TAC) houses the official version of current rules, and the THECB web site links to the TAC.

CURRENT RULES

Go to: <http://www.thecb.state.tx.us/>

Select:

Laws and Rules

View Coordinating Board Rules Currently in Effect

Financial aid program rules are located in Chapters 21 and 22.

RULES TO BE PROPOSED AT THE NEXT BOARD MEETING

Go to: <http://www.thecb.state.tx.us/>

Select:

Hover cursor over *Laws and Rules*

Proposed Rules

Proposed for changes being proposed for adoption or *Current* for the current official version in the Texas Administrative Code (TAC).