



OVERVIEW

Eligibility for In-State Tuition and State Financial Aid Programs

Who pays in-state tuition?

Texas law authorizes persons classified as Texas residents to pay a rate of tuition that is lower than those not classified as Texas residents. Section 54.052 of the Texas Education Code outlines specific guidelines for whether a student enrolling at an institution of higher education qualifies for the in-state tuition rate. Section 54.053 of the Texas Education Code defines the information required to establish Texas resident status for in-state tuition and state financial aid.

Can a non-U.S. citizen who is not in the U.S. on a visa qualify for in-state tuition?

Yes. A person who is not a U.S. citizen, or permanent resident of the U.S., may qualify for in-state tuition under current Texas law. Texas law does not stipulate citizenship as defined by federal statute as a prerequisite for Texas residency used to determine eligibility for in-state tuition. Instead, eligibility is based on a number of factors including the period of time a student resides in the state prior to graduating from a Texas high school or acquired a GED in Texas, and whether the student resided in Texas the year prior to enrolling in college.

Can a non-U.S. citizen qualify for state financial aid?

Yes. All state financial aid programs, with exception of the B-On-Time loan program and Early High School Graduation Scholarship Program, require recipients to be Texas residents and defer to residency guidelines established in Section 54.052 of the Texas Education Code. Therefore, students meeting those guidelines qualify for state financial aid programs, depending on financial need and other program-specific requirements. This includes students who are classified as non-U.S. citizens according to federal statute.

How has Texas law regarding establishing residency for in-state tuition changed over time?

Prior to 2001, residency was established in two ways:

- 1) An independent person could claim residency if he or she established a domicile in Texas and maintained it for one year prior to enrollment; or
- 2) A dependent person could claim residency if his or her parent established a domicile in Texas and maintained it for one year prior to enrollment.

The only non-U.S. citizens who could establish a claim to residency were those who held visa classifications or other federal immigration status that allowed them to remain in the state long enough to establish a domicile and maintain it for a year.

In 2001, the 77th Texas Legislature passed House Bill 1403 that made several changes to the Texas Education Code, including creating a path for non-U.S. citizens who did not claim legal residency status with the federal government to gain access to in-state tuition rates at Texas public institutions of higher education. To qualify, the legislation required a student to reside continuously in Texas with a parent or guardian for 36-months (or 3-years) up to high school graduation (or receipt of a GED). The statute limited this pathway to resident status to non-

U.S. citizens and required such students to sign an affidavit indicating intent to apply for permanent resident status.

Because of concerns regarding legal challenges to the statute, the 79th Texas Legislature further amended the residency requirements in 2005. The additional amendments maintained the 36-month pathway for non-U.S. citizens, but extended it to all individuals. Prior to these amendments, many U.S. citizens were inadvertently prevented from attaining Texas residency status because of unanticipated circumstances, such as students who live with a paternal grandparent who maintains domicile.

Does Texas statute make provisions for U.S. citizens to attain Texas resident status for in-state tuition?

Current Texas statute identifies various pathways for both U.S. and non-U.S. citizens to attain Texas resident status.

For example, students born and raised in Texas but whose parents moved out of state before they had enrolled in college were previously classified as nonresidents. Additionally, students raised by grandparents or other family members who had never gone to court to acquire legal custody were considered residents of the state in which their parents lived. The current statute allows students in both of these cases, and other similar circumstances, to qualify for Texas resident status.

How many students currently qualify for completing an affidavit as required by statute in order to be considered a Texas resident to pay in-state tuition?

The number of students meeting statutory requirements for establishing Texas resident status for in-state tuition under TEC 54.052(a)(3) totaled 16,476 students in FY 2010, or about 1 percent of total enrollment. Each of these students qualified for in-state tuition and met the residency requirement for state financial aid programs, under certain conditions. Below is a breakdown by sector of these students:

Higher Education Sector	Total Affidavit Students 54.052(a)(3)
Public Universities	4,403
Public Community, Technical and State Colleges	12,028
Public Health Related Institutions	45
Total All Public Institutions	16,476

How many financial aid awards are provided to students who currently qualify for state financial aid by meeting the requirements of TEC 54.052(a)(3) and completing an affidavit as required by statute?

In Fiscal Year 2010, 9,984 financial aid awards were provided to 5,158 students who met statutory requirements for Texas resident status and in-state tuition under TEC 54.052(a)(3). This represents about 1 percent of students who received financial aid. Of state funded financial aid programs, 2,681 awards were provided to 2,495 students. The charts below detail these awards by higher education and financial aid sector:

Financial Aid Source	Total Awards to Affidavit Students 54.052(a)(3)
State Financial Aid Programs	2,681
Institutional Financial Aid Programs	4,871
Other Financial Aid Programs	2,432
Total All State/Local Awards	9,984

How much state general revenue (GR) is used to support students who qualify for state financial aid by meeting the requirements of TEC 54.052(a)(3) and complete an affidavit as required by statute?

Coordinating Board staff estimates that the state GR—direct appropriations from the Texas Legislature—for formula funding provided to institutions for instruction and financial aid distributed to students totaled \$21.63 million in FY 2010. The breakdown by each type of general revenue is as follows:

Formula Funding GR*:	\$12.1 M
Financial Aid GR ⁺ :	\$9.53 M

* Formula Funding General Revenue is calculated using the average funding per semester credit hour for the general academic, health-related and community college institutions. The Coordinating Board does not have course-level data on each affidavit student to calculate an actual formula funding rate. The funding rates are different for each level (undergraduate/graduate) and course area (liberal arts or engineering for instance).

+ Financial Aid GR includes only financial aid resources that are direct appropriations from the state (Example: TEXAS Grant). Institutional aid, and aid derived from sources other than direct appropriations, are not included because they are derived locally and not from state sources.

What is the total of tuition and fees paid by students who completed an affidavit as required by statute?

Institutions of higher education report students who completed an affidavit paid approximately \$32.7 million in tuition and fees in Fiscal Year 2010.

For more information:

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