



HB 3  
*in*  
30

# Financial Aid Application

Graduation Requirement



## Presentation Agenda

1. **House Bill 3 Changes – Financial Aid Application Graduation Requirement**
2. **FAFSA**
3. **TASFA**
4. **Opt-Out**
5. **Reporting Requirements**
6. **Advisory Committee**



## Key TEA Personnel

### TEA Staff

#### **Monica Martinez**

Associate Commissioner, Standards and Support Services

#### **Jessica Snyder**

Special Projects Director, Curriculum Division

#### **Alexis Bauserman**

Beyond Grad Director

“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?

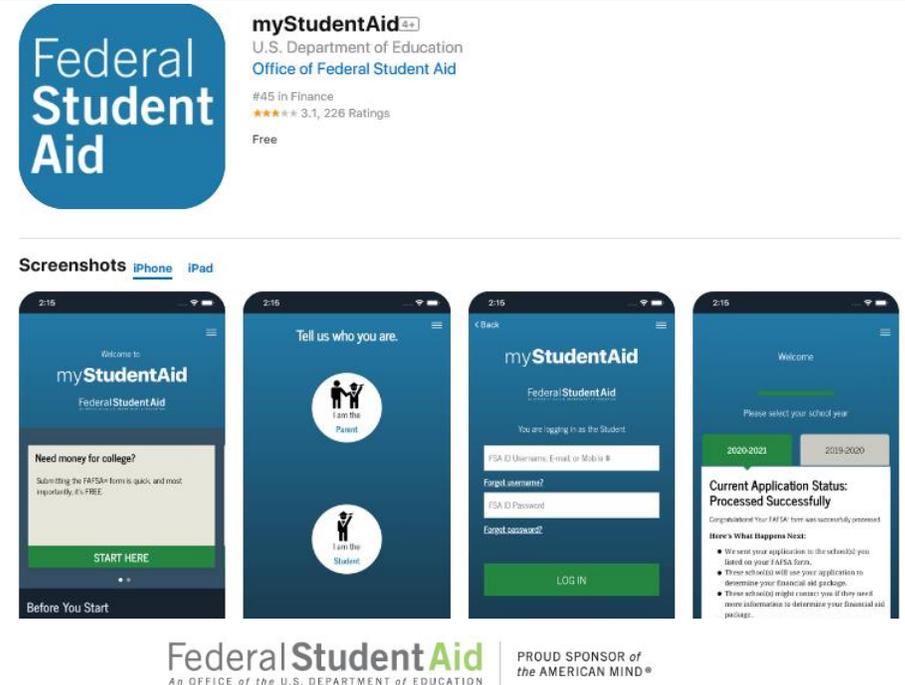
- The Free Application for Federal Student Aid (FAFSA) is a form completed by prospective and continuing college students.
- The application informs financial aid decisions regarding students' eligibility for federal, state, institutional and other opportunities.
- Federal student aid can be applied 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

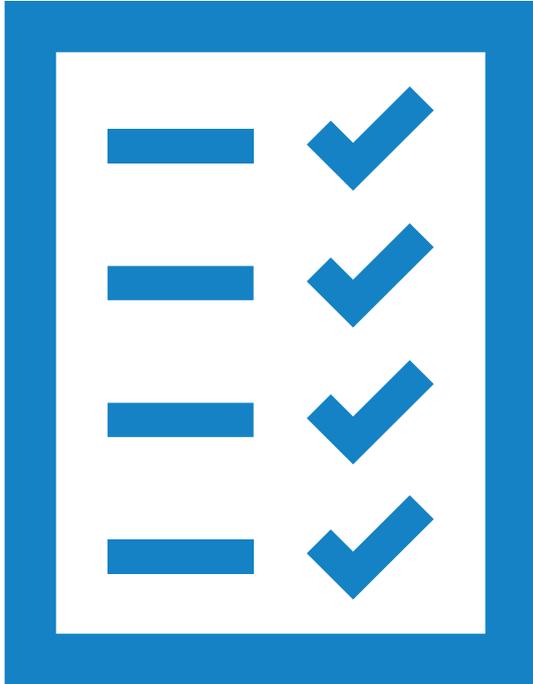
Students log in at [fafsa.gov](https://fafsa.gov) to apply online.

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](https://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).

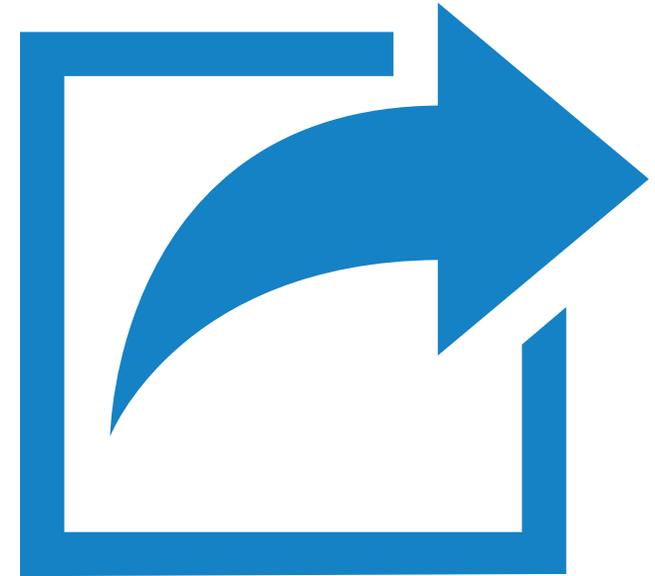
\*FSA IDs are used to confirm students' and parents' identities and enable them to electronically sign the FAFSA.

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

\* 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

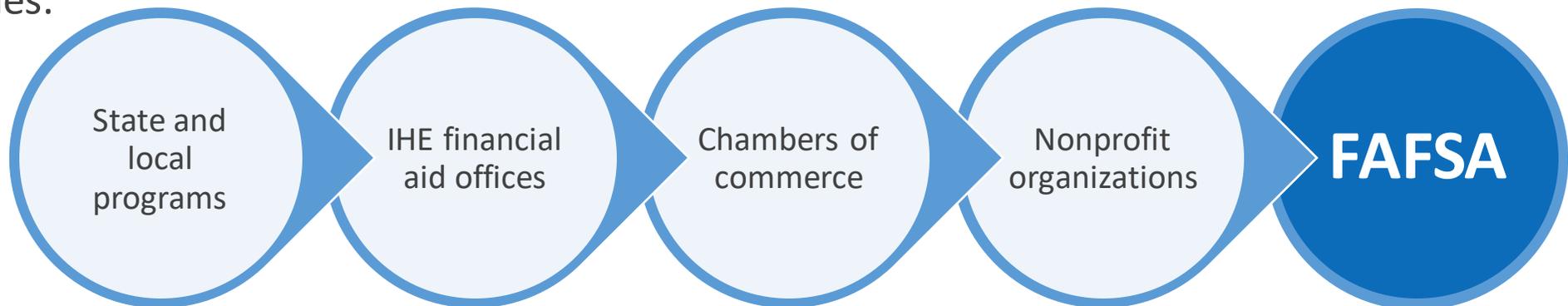
11 a.m.-5 p.m. ET

# 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 a link to "FAQ" with a red star icon below it.

- 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?

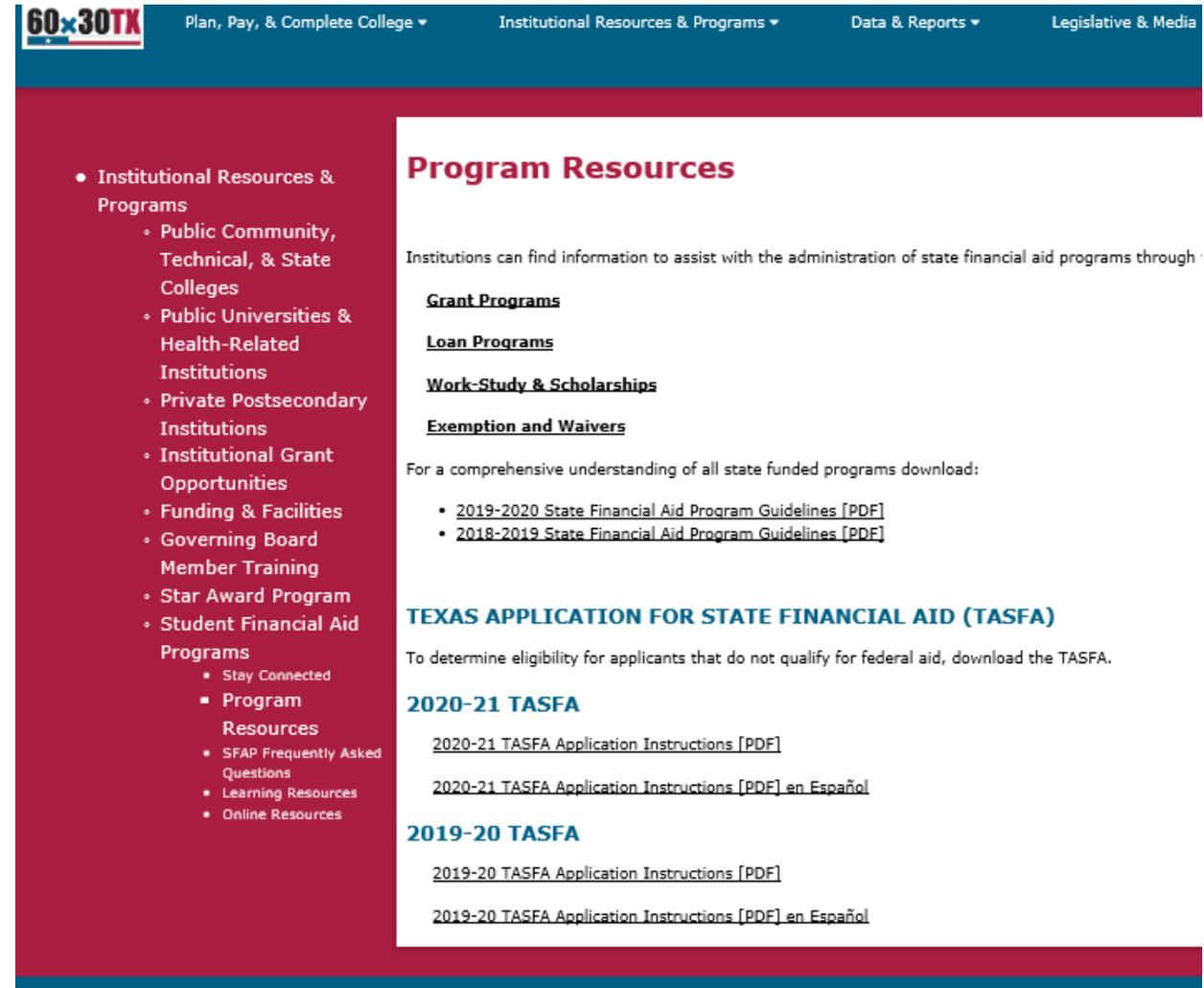
- The Texas Application for State Financial Aid (TASFA) is used to determine eligibility for state (or institutional) financial aid programs administered by IHEs in the state of Texas.
- Students who are classified as Texas Residents who cannot apply for federal financial aid using the FAFSA must complete 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 navigation bar at the top containing links for 'Plan, Pay, & Complete College', 'Institutional Resources & Programs', 'Data & Reports', and 'Legislative & Media'. A left sidebar menu lists categories such as 'Institutional Resources & Programs', '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 main content area is titled 'Program Resources' and includes a sub-header 'Institutions can find information to assist with the administration of state financial aid programs through'. Below this are links for 'Grant Programs', 'Loan Programs', 'Work-Study & Scholarships', and 'Exemption and Waivers'. A section titled 'TEXAS APPLICATION FOR STATE FINANCIAL AID (TASFA)' provides instructions for downloading the TASFA form, with links for '2020-21 TASFA' and '2019-20 TASFA' in both English 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

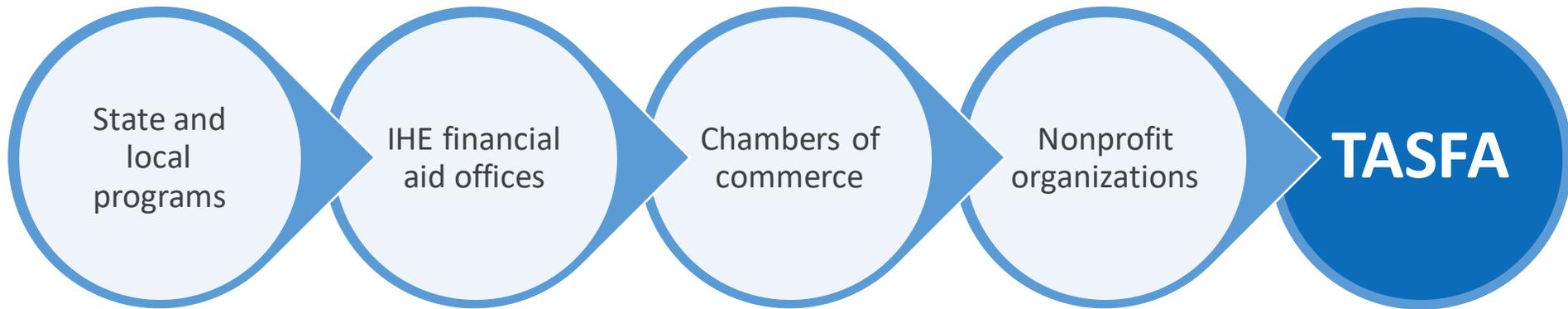
January 15, 2022: Deadline for priority consideration for many Texas IHEs

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

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.

# Reporting Requirements

Districts will be required to report the financial aid application graduation requirement in TSDS PEIMS for each student.

A new data element and code table will be added to TSDS PEIMS **for the graduate record beginning with the 2022-2023 school year.**

Schools will report the following in the fall (Submission 1) for graduates:

Financial-Aid-Application-Indicator	
01	Financial application form completed
02	Exception filed

To track the manner in which a student completed the graduation requirement for the student record, this data element will also be entered in the Texas Records Exchange (TREx) System.

Districts will also need to indicate that the graduation requirement has been met on the high school transcript.

An additional data element will be added to TReX to enable districts to indicate the month and year the student completed the graduation requirement on the transcript beginning with the **2021-2022** school year.

Common Name		XML Name	ComplexType
FINANCIAL- AID- APPLICATION- REQUIREMENT-MET-DATE		MetDate	
<b>Definition</b>			
FINANCIAL- AID- APPLICATION-REQUIREMENT-MET-DATE indicates the month and year that the student completed a financial aid application (FAFSA or TASFA) or submitted an exception.			
<b>Data Specifications</b>			
Element ID	Code Table ID	Required?	Domain of Values
TEXXX		No	yyyy = 1957-2052 mm = 01-12
Applicable Record	Length	Type	Pattern
Student Record AAR-Transcript		DATE	yyyy-mm

# Reporting Requirements - Timeline

Seniors are required to complete a financial aid application or opt-out as a graduation requirement beginning in 2021-2022

<p><b>2021-2022 school year</b></p>	<p>Counselors begin tracking financial aid application completion information in order to</p> <ul style="list-style-type: none"> <li>▪ monitor and document whether the graduation requirement has been met</li> <li>▪ indicate the date the graduation requirement was met on the students' high school transcript--<b>TREx data element</b></li> <li>▪ capture the method by which the student met the requirement (completed an application or opted out) for future reporting--<b>TREx data element</b></li> </ul>
<p><b>May/June 2022</b></p>	<p>Transcripts for Class of 2022 include a "Date Met" field for the financial aid application--<b>TREx data element</b></p>
<p><b>2022-2023 school year</b></p>	<p>Districts report graduate data for Class of 2022, including the Financial-Aid-Application-Indicator --<b>Fall PEIMS submission</b></p>

# Reporting Requirements – Next Steps

- TEA is exploring options with THECB to streamline data collection systems for monitoring and reporting FAFSA information.
- TEA will also work with THECB to coordinate reporting requirements related to TASFA.



## Key Takeaway

Districts will enter financial aid application data in their local student information systems beginning with students enrolled in **12<sup>th</sup> grade** during the **2021-2022** school year. In 2022-2023, districts will begin reporting financial aid application completion data in TSDS PEIMS on the graduate record in the fall (Submission 1).

# Advisory Committee

- The advisory committee will be composed of
  - School counselors
  - School administrators
  - Stakeholders to represent the needs of interested students
- The advisory committee is expected to meet four to six times between January and December 2020



## Key Takeaway

Apply to serve on the advisory committee using the online application at <https://www.txetests.com/acn/ACNForm.php>

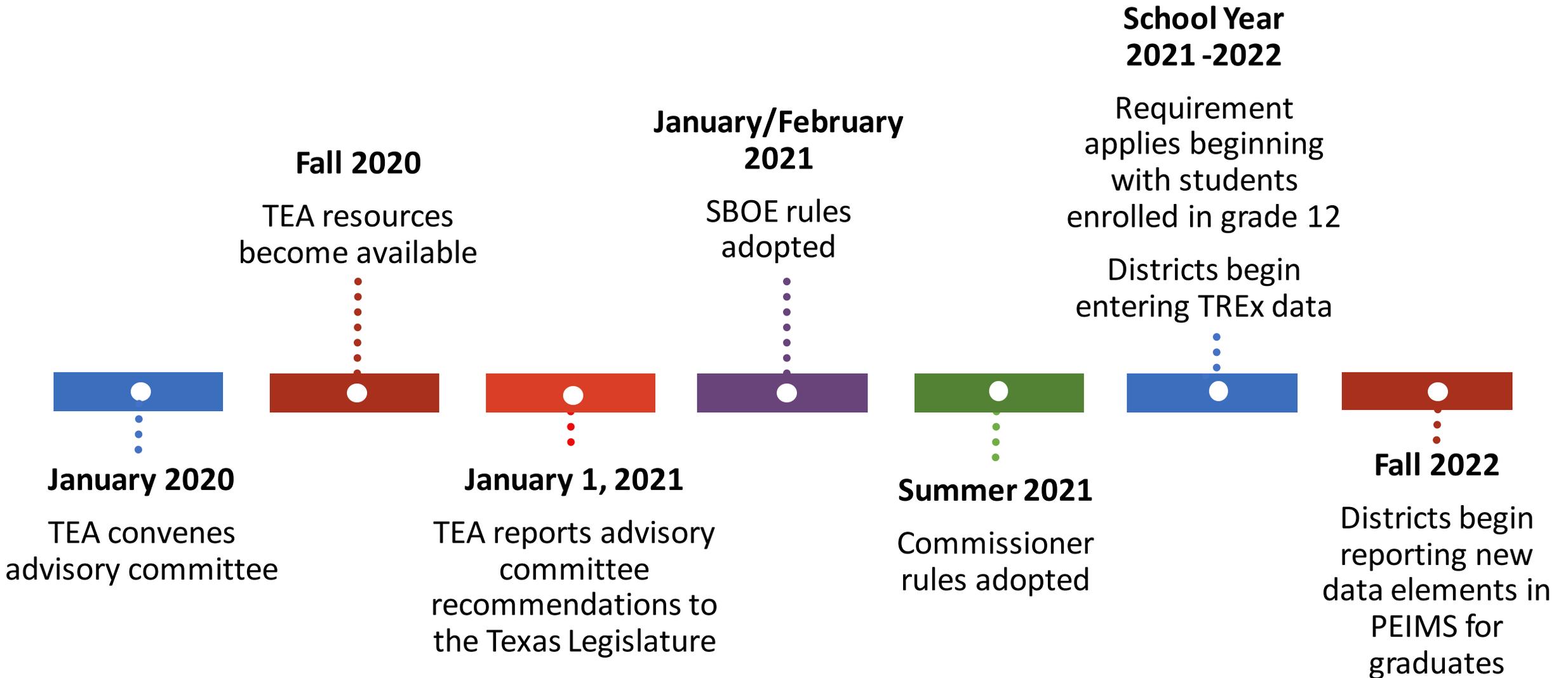
The advisory committee will make recommendations regarding the following:



- Information districts must provide to students
- Timelines for distribution of the FAFSA or TASFA and opt-out form to students
- Timelines for submission of a completed opt-out form
- The method by which a student must provide proof of completion and submission of the FAFSA or TASFA
- Resources to be provided by TEA

**Recommendations will be completed by December 2020.**

# Implementation Timeline



## Beginning Now

### Recommended

- ✓ Identify local partners who can provide additional assistance as soon as possible
- ✓ Initiate an MOU to access the ApplyTexas Counselor Suite with THECB if there is not already one in place for your school or district
- ✓ Encourage counselors to take the Texas OnCourse modules on FAFSA and TASFA now and participate in GenTX initiatives to promote the applications
- ✓ Contact your ESC for more information about training, resources, activities, and potential partners in your region
- ✓ Start building capacity and increasing FAFSA and TASFA completion rates with seniors in 2019-2020 and 2020-2021 to prepare for the implementation of the requirement in 2021-2022.

## Prior to the Start of the 2021-2022 School Year

### Required

- ✓ Adopt the TEA-developed form to authorize eligible exceptions prior to the 2021-2022 school year
- ✓ Develop instructions and information for students regarding
  - completing the FAFSA/TASFA and
  - options available for students who decline to apply

### Recommended

- ✓ Establish timelines and plans for implementation beginning with students enrolled at the 12<sup>th</sup> grade level during the 2021-2022 school year
- ✓ Consider annual cycle for financial aid applications when establishing local timelines

# Frequently Asked Question



## Question

Do students have to complete the requirement in order to graduate this year?



## Answer

No. This requirement applies beginning with students enrolled in **12th grade** during the **2021-2022 school year**.



## Key Takeaway

There are **two full school years** (2019-2020 and 2020-2021) before this requirement must be implemented by school districts. School districts should begin planning now to be prepared for full implementation in the 2021-2022 school year.

# House Bill 3 Resources

Stay tuned for the most up-to-date information from TEA on the implementation of House Bill 3



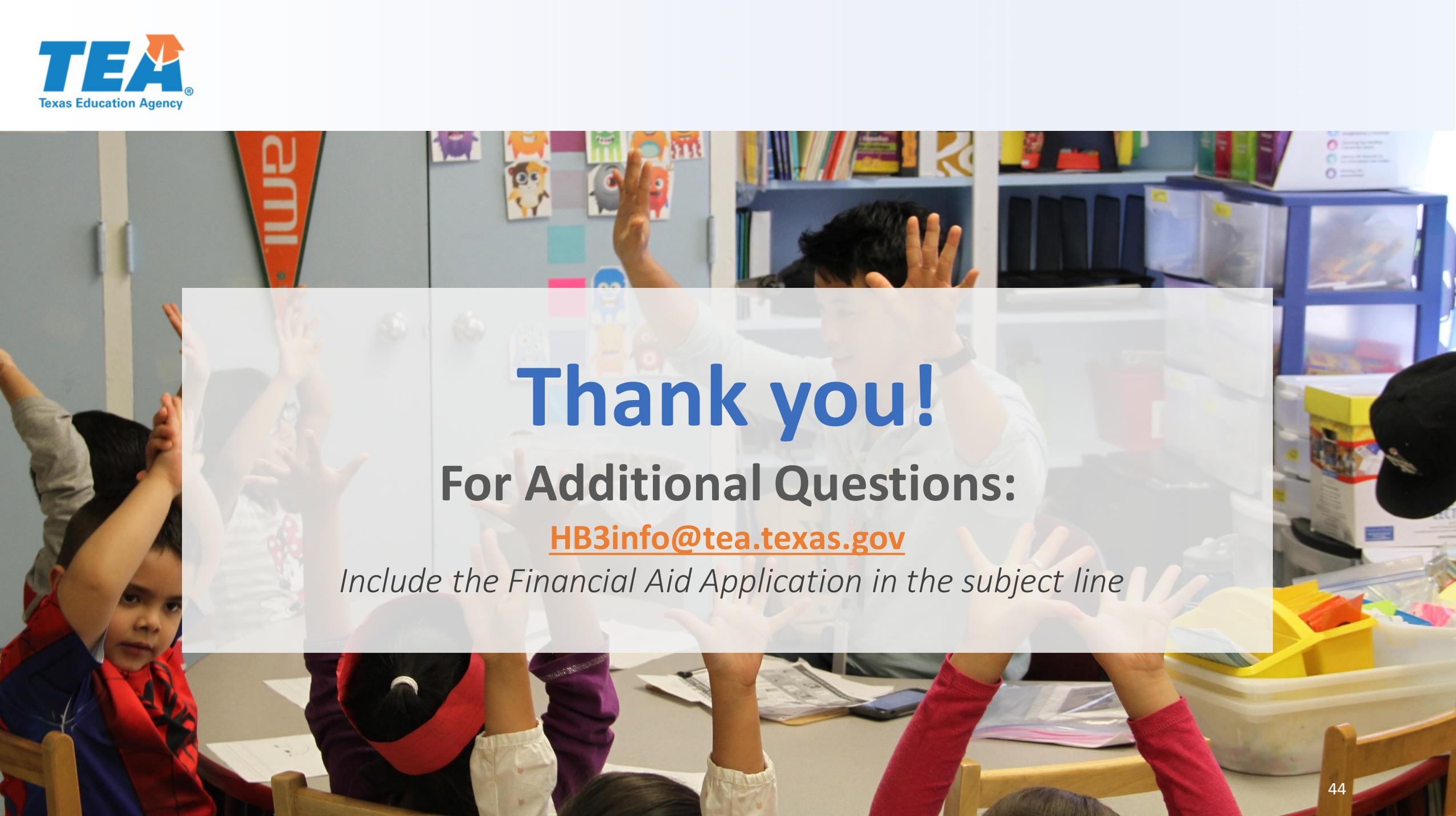
[tea.texas.gov/HB3](https://tea.texas.gov/HB3)

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[HB3info@tea.texas.gov](mailto:HB3info@tea.texas.gov)

Email [HB3info@tea.texas.gov](mailto:HB3info@tea.texas.gov) with any questions

A photograph of a classroom scene. A teacher is standing at the front, smiling, with both hands raised. Several young children are seated at a table, also with their hands raised. The background shows a typical classroom environment with bookshelves, a bulletin board with colorful drawings, and storage bins. A semi-transparent white box is overlaid on the center of the image, containing text.

**Thank you!**  
**For Additional Questions:**  
[HB3info@tea.texas.gov](mailto:HB3info@tea.texas.gov)

*Include the Financial Aid Application in the subject line*