

Financial Aid Application Requirement Advisory Committee Recommendations

**A report submitted to the Texas House Committee on Public Education
and the Texas Senate Committee on Education by The Texas Education Agency**

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Introduction

The 86th Texas Legislature, 2019, passed House Bill 3, amending the Texas Education Code (TEC), §28.025(c) and adding new TEC, §28.0256, to require a student to complete a financial aid application, Free Application for Federal Student Aid (FAFSA) or Texas Application for State Financial Aid (TASFA) in order to graduate.

In accordance with TEC, §28.0256(b), a student is not required to comply with the financial aid application requirement if the student's parent or guardian submits a signed opt out form authorizing the student to decline to complete and submit a financial aid application. The student may submit the opt out form on the student's own behalf if the student is 18 years of age or older or is an emancipated youth under Texas Family Code, Chapter 31. A school counselor may also authorize the student to decline to complete and submit a financial aid application for good cause, as determined by the school counselor. The opt out form must be approved by TEA.

TEC, §28.0256(e) requires TEA the Texas Education Agency (TEA) to establish an advisory committee to develop recommendations and assist the agency in adopting rules to implement the new requirement, including rules to do the following:

- Establish
 - a timeline for the distribution to students of the free application for federal student aid (FAFSA) or Texas application for state financial aid (TASFA) and the form for students to decline to complete a financial aid application;
 - a timeline for the submission of a form for students to decline to complete a financial aid application;
 - standards regarding the information that a school district or open-enrollment charter school must provide to students regarding filling out the FAFSA or TASFA and the options available to a student if the student wishes to decline to complete and submit a financial aid application; and
 - the method by which a student must provide to a school district or open-enrollment charter school proof that the student has completed and submitted the FAFSA or TASFA
- Require each school district to report to the agency the number of students who completed and submitted a financial aid application and the number of students who received an exception from complying
- Ensure compliance with federal law regarding confidentiality of student educational information, including the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g), and any state law relating to the privacy of student information

TEC, §28.0256(F) requires the advisory committee to be composed of the following:

- School counselors
- School administrators
- Stakeholders to represent the needs of interested students

Advisory Committee

Committee Composition

TEA staff solicited nominations for advisory committee members and invited 26 individuals, of whom 22 agreed to participate. Committee members included school counselors, advisors and administrators. In addition, the group represented institutions of higher education, education service centers, school counseling professional organizations, nonprofit organizations that support college access and readiness, and a representative from Texas Higher Education Coordinating Board. (For committee roster, see **Appendix A.**)

Committee Meeting Timeline and Overview

TEA staff convened the full advisory committee monthly from July through October of 2020. In addition, a data subcommittee was convened twice in October. Throughout their committee service, committee members were charged with the following objectives:

1. Identify key district needs for successful implementation of the new requirement
2. Review and provide feedback on the draft opt-out form
3. Review and provide feedback on the data plan
4. Review and provide feedback on implementation resources
5. Review and provide feedback on draft proposed rules

Committee Recommendations

Recommendations for Commissioner's Rules

The committee provided recommendations for content to be included in the development of commissioner's and then recommended revisions on proposed rules drafted by TEA staff. The recommended rules address the following key topics: exceptions to the graduation requirement; adoption of a standardized form; timeline and content expectations for advising students of the requirement; expectations for district reporting of related information to TEA; methods of proof by which districts may verify student completion of a FAFSA or TASFA; and compliance with confidentiality laws.

Recommendations for Additional Guidance and Resources

To support implementation of the graduation requirement, the committee recommended that TEA provide additional guidance and resources.

Additional Guidance

- Guidance to accompany the opt-out form: The committee supports TEA's plan to provide a single state-approved form to be adopted locally and recommends that the form should require a student signature and, when the student is under 18 years old, a parent or counselor signature.

(For draft form, see **Appendix B**.) The committee further recommends provision of guidance to accompany the opt-out form which will support districts in creating local policies and processes. This guidance should include examples of good cause for which a counselor might authorize a student to decline to complete and submit a financial aid application.

- Guidance for developing a local policy to verify FAFSA and TASFA submission: the committee recommends providing examples of language and methods of proof that districts might consider for inclusion in a local policy.
- Guidance for what types of information a counselor may/may not disclose to the district: the committee recommends providing examples of identifying information a counselor should not share with the district as well as examples of non-identifying information.
- Guidance to align the statutory language “completed and submitted” to explicit steps in the application processes for FAFSA and TASFA respectively.

Implementation Supports

- The committee supports TEA's plan to provide stakeholder-based toolkits to drive awareness of the new requirement and build capacity in local education agencies (LEAs) to implement the requirement. The committee recommends that all implementation supports be provided in a single web-based, "hub" to ensure consistent messaging and equitable access to information. The committee identified four key stakeholder groups to support with online resources: students, parents and caregivers, counselors and advisors, and community partners. The committee recommended specific topics to be addressed for each stakeholder group.
- The committee further recommends the provision of collateral to clearly communicate benefits of applying for financial aid to support LEAs in driving early and organic compliance with the requirement.

Data Collection and Reporting Processes

LEAs must verify student completion of a financial aid application or opt-out form to certify that a student has met state requirements for graduation and complete Texas Student Data System (TSDS) Public Education Information Management System (PEIMS) reporting requirements established by HB 3. The committee reviewed the current solution for accessing FAFSA completion information available through the Apply Texas Counselor Suite and provided the following recommendations to support LEA financial aid application data collection and reporting.

- The committee supports providing technical assistance and resources including diagrams, flowcharts, and timelines, that clearly outline data access, transfer, and local system integration processes LEAs may implement to monitor and report financial aid application completion.
- Currently, there is not a standard, electronic process for submitting TASFA. The committee supports the recommendations the TASFA Advisory Committee (TASFAAC), convened by the Texas Higher Education Coordinating Board and supports TASFAAC recommendations for the development and maintenance of an online TASFA as outlined in the October 2020 Report to the Legislature.

Proposed Procedure for TASFA Data Collection

- Require institutions of higher education to accept the TASFA to verify student eligibility for state financial aid.
- Establish an online TASFA (e.g., an online, fillable PDF, printable form) that collects all data necessary to calculate an Expected Family Contribution, an index number that colleges use to determine how much financial aid an applicant is eligible to receive, following federal methodology for consistency and use that template as the standard form.

Development and Costs

- The 86th Texas Legislature appropriated funding for the development and maintenance of the online TASFA.

Recommendations for Technical and Functional Revisions

- Include a privacy statement on the online TASFA that assures the state will not share information with any institution other than those identified by the applicant.
 - Offer a Spanish language translation as an option for the application.
 - Include helpful pop-up information on the online TASFA that explains the questions and sections of the application.
 - Keep the student and parent signature process as simple as possible while still protecting against fraud.
- In addition, the committee recommends the following:
 - Ongoing data modernization to incorporate TASFA data into the Apply Texas Counselor Suite for a single access point by LEAs
 - A student notification component to confirm successful TASFA submission
 - Development of technical assistance and resources related to data access and transfer processes recommended for LEAs to monitor and report financial aid application completion information

Additional Recommendation to the Legislature

- The committee recommends a revision of statute to ensure the ability of all districts to implement the requirement equally; the committee recommends amending the statute to allow an alternate designee to authorize student opt-out in schools that do not employ a school counselor.

Appendix A
Committee Roster

Name	Title	Employer
Alan Pixley	Director Financial Aid	Collin County Community College
Carol Stevens	Counselor Specialist	Region 15
Christina Rodriguez	Head Counselor	Weslaco High School
Claudette Jenks	Director, College Access	Texas Higher Education Coordinating Board
Daniel Gray	Senior Director of Road to College and Career	Uplift Education
Nora Cargo	Director of Scholarships and Veterans Services	Texas A&M University
Diane Todd Sprague	Executive Director, Scholarships and Financial Aid	University of Texas at Austin
Eric Ban	Managing Director	Dallas County Promise
Gilbert Zavala	VP, Education and Talent	Austin Chamber of Commerce
Grace Delgadillo	College & Career Adviser	San Marcos CISD
James Jones	School Counselor	Rockwall ISD
Kim Lyons	PEIMS Coordinator	Region 4
Klaudia Guzman	CTE College & Career Readiness Coordinator/TSI Coordinator	Mercedes ISD
Melissa Martinez	Director of College Access and Success	Project GRAD Houston
Richard Sapp	College Access and Community Engagement Consultant	Trellis Company
Robin Terry	Counselor Specialist	Region 16
Rogelio Segovia	Associate Superintendent	San Elizario ISD
Sandra Tovar	Director of Guidance and Counseling	Harlingen CISD
Shareea Woods	TxCAN Director	Educate Texas
Sharron Zirkelbach	PEIMS Coordinator	Region 10
Shun Davis	School Counselor	Cedar Hill ISD
Victoria Graham	Manager of College & Career Access	Good Reason Houston

Financial Aid Application Opt-Out Form

Financial aid applications inform postsecondary institutions' decisions about student eligibility for federal, state, and institutional funds. Financial aid awards can help students pay for their educational expenses after high school.

Each high school senior in a Texas public school district or open enrollment charter school must complete and submit a free application for federal student aid (FAFSA) or a Texas application for state financial aid (TASFA) as a state requirement for graduation. [Texas Education Code §28.0256](#) allows a student to opt out of the financial aid application graduation requirement by submitting a signed form that authorizes the student to decline.

To authorize a student to opt out of the financial aid application graduation requirement, the Financial Aid Application Opt-Out Form must be signed by one of the following:

OPTION I: A student age 18 years or older or emancipated minor under Chapter 31, Texas Family Code

OPTION II: The student's parent or guardian and the student

OPTION III: A school counselor, for good cause as determined by the school counselor, and the student

Students under 18 years of age may only be authorized to decline under OPTION II or OPTION III.

Student Printed Name:

Date of Birth:

District/Charter School:

Campus:

Submitting a *Financial Aid Application Opt-Out Form* does not prohibit a student from completing and submitting a financial aid application at any time in the future.

OPTION I: STUDENT AUTHORIZATION

My signature below certifies that I am **18 years of age or older or an emancipated minor** and am authorized to decline to complete and submit a financial aid application on my own behalf.

Student Signature:

Date:

OPTION II: PARENT AUTHORIZATION

My signature below authorizes my child to decline to complete and submit a financial aid application.

Parent/Legal Guardian Signature:

Date:

Parent/Legal Guardian Printed Name:

I am under the age of 18 and with my parent's authorization, I decline to complete and submit a financial aid application.

Student Signature:

Date:

OPTION III: COUNSELOR AUTHORIZATION

My signature below certifies that reasonable efforts to fulfill obligations to the student have been made, but for good cause I have authorized the student to decline to complete and submit a financial aid application.

School Counselor Signature:

Date:

School Counselor Printed Name:

I am under the age of 18 and with my counselor's authorization, I decline to complete and submit a financial aid application.

Student Signature:

Date: