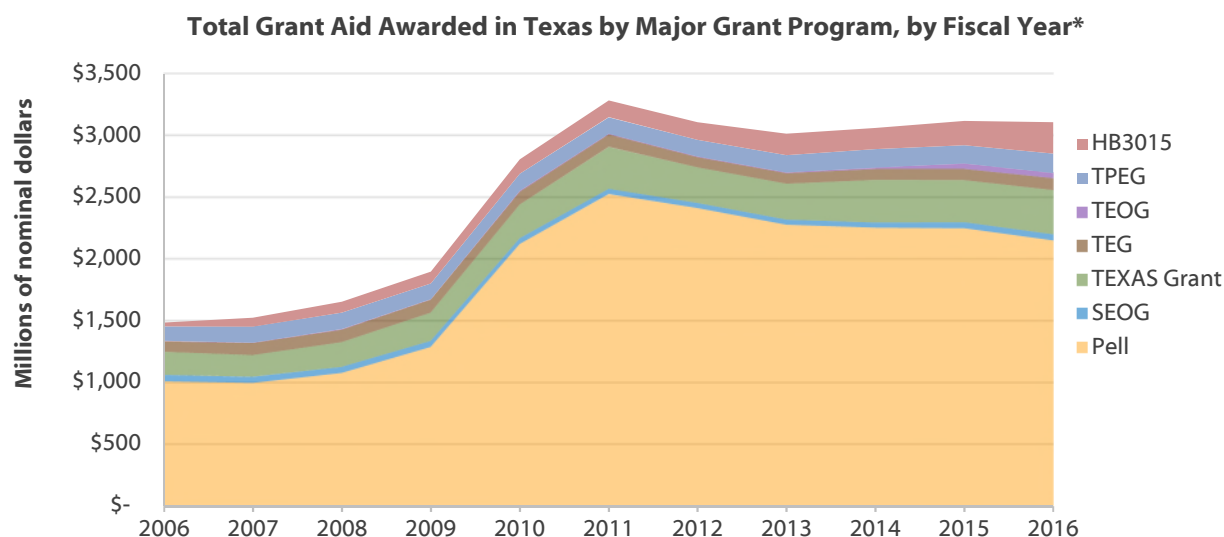


State Grant Aid Grows While Pell, Still the Largest, Declines



*Amounts for state aid programs are reported by fiscal year, whereas Pell and SEOG are reported by award year (see Glossary)

While the federal Pell Grant Program remains by far the largest source of grant aid in Texas, the total amount disbursed to Texas students has decreased steadily over the past five years. In the 2015–2016 award year (AY), about 591,000 undergraduate students received approximately \$2.15 billion in Pell grants. This was a decrease of about \$376 million, or 15 percent, from AY 2010–2011, largely due to there being significantly fewer recipients (see page 35).

Overall, state grant aid has increased somewhat over the past five years, though it declined significantly from FY 2011 to FY 2012. The Towards EXcellence, Access, and Success (TEXAS) Grant is by far the largest of the state grant programs, disbursing over \$358 million in FY 2015–2016. TEXAS Grants are available to students who meet a variety of financial and academic criteria, with priority consideration given to students who meet additional academic criteria and a priority filing deadline. As of Fall 2014, initial TEXAS Grants are awarded exclusively to baccalaureate students, although students in other academic programs may be eligible if they received the grant previously.

In FY 2015–2016, the Texas Educational Opportunity Grant (TEOG) – which serves financially needy students at public two-year colleges – saw a slight decrease in total disbursements over the prior year. TEOG disbursements decreased by \$4.5 million, or 8 percent, from FY 2014–2015, which had seen a huge increase (73 percent) from FY 2013–2014.

The Tuition Equalization Grant (TEG), which is available to financially needy students at private, non-profit institutions, increased somewhat (6.3 percent) in AY 2015–2016. The Texas Public Educational Opportunity Grant (TPEG), which public colleges and universities award to financially needy students out of tuition set asides, increased by \$11.7 million (8%).

Aid issued under HB 3015, which requires institutions to “set aside” at least 15 percent of all tuition charges exceeding \$46 per semester credit hour (SCH) for financial aid to needy resident students, grew considerably between FY 2014–2015 and FY 2015–2016. About 109,000 resident undergraduate and graduate students received about \$254 million in HB 3015 aid in FY 2015–2016, up from 72,000 receiving \$165 million in FY 2014–2015. Growth in HB 3015 aid accounted for the majority of the overall growth in Texas grant aid from FY 2014–2015 to FY 2015–2016.

Sources: Pell and SEOG: U.S. Department of Education, Federal Student Aid Data Center (<http://studentaid.ed.gov/data-center>); TX programs: Texas Higher Education Coordinating Board (THECB) Report on Student Financial Aid for Texas Higher Education [Fiscal Years 2006 to 2016] (<http://www.theccb.state.tx.us/reports>); College for All Texans (<http://www.collegeforalltexas.com>)

