



# Brief: Tuition Equalization Grants

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## Key Points:

1. Universities offer civic, economic, and moral benefits to students.
2. TEGs open higher education to Texas children at a savings to the state.
3. Legislators should fully fund TEGs in the 2019 legislative session.

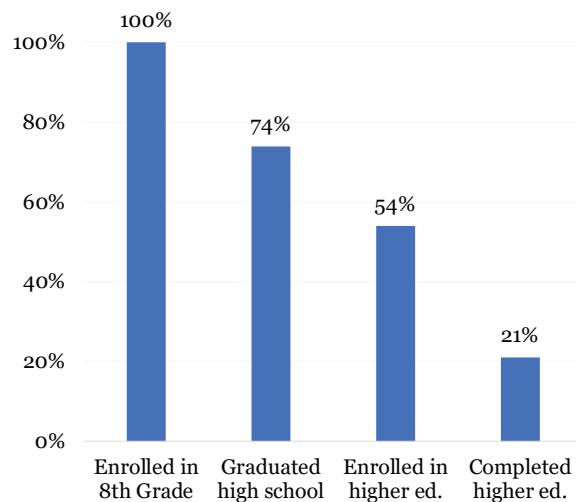
**A Catholic perspective:** The Texas Catholic Conference of Bishops (TCCB) supports increased funding for tuition equalization grants as part of our support for higher education. As St. John Paul II wrote, the mission of a modern university is to carry on a continuous quest for truth through research, and to preserve and communicate knowledge for the sake of the common good.<sup>[1]</sup> Successful universities offer civic, economic, and moral benefits to students. A university’s civic and economic benefits are seen in the good citizens, leaders, scientists, engineers, doctors, and businessmen it produces, while its moral benefit consists in its ability to impart virtue and wisdom. In this way universities contribute to their students’ attainment of happiness, not only their pursuit of it.<sup>[2]</sup> These benefits should be open to all Texas children.<sup>[3]</sup>

Yet as Figure 1 indicates, only 21 percent of Texas eighth graders currently earn a post-secondary credential in the six years after their scheduled high school graduation.<sup>[4]</sup> Only 12 percent of low-income Texas students earn a post-secondary credential, which is especially troubling since the low-income student population now represents 60 percent of Texas’ public school students. Such students must

be provided with opportunities—including through Tuition Equalization Grants—to access higher education.

**Texas law and policy:** To provide the maximum possible use of public and private educational opportunities, the Texas legislature established the Tuition Equalization Grant (TEG) Program in 1971.<sup>[5]</sup> TEGs are provided on the basis of financial need and the program is one of Texas’ three key need-based aid programs.<sup>[6]</sup> Through the TEG program, Texas recognizes that financial aid opens up the ben-

Figure 1: 8th grade cohort: percent of students progressing (FY 2006 - 2016)



Source: Texas Higher Education Coordinating Board, *The 8th Grade Cohort Longitudinal Study: 10 Year Anniversary*, Oct. 2017.

efits of higher education to students who are at an economic disadvantage.

To be eligible for a TEG, a student must be a Texas resident, demonstrate financial need, and meet certain academic benchmarks.<sup>[7]</sup> For the current 2018-19 school year, the maximum award is \$3,364, but students who show exceptional need may receive up to \$5,046.<sup>[8]</sup> In FY 2017, \$96 million in TEG funds aided 27,374 students with an average grant of \$3,507.<sup>[9]</sup> Figure 2 illustrates the annual legislative appropriation and grant amount since the program’s creation. Thirty-six percent of TEG recipients are at or below the federal poverty level (\$24,036) while 69 percent are at or below the median state income (\$56,356).<sup>[10]</sup>

TEGs benefit Texas by both increasing students’ opportunity to attend a private institution and reducing the cost of education to taxpayers. If TEG recipients had enrolled in state

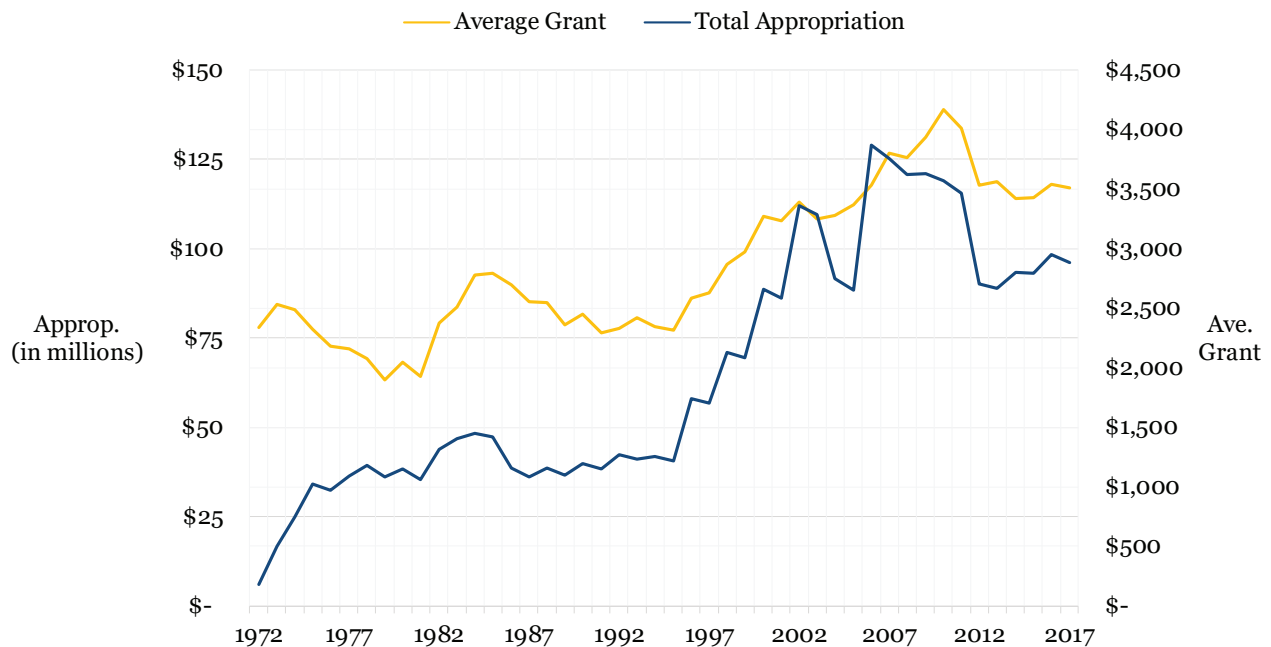
universities in FY 2015, the state would have needed to increase appropriations by just over \$177 million. In FY 2015, the average TEG of \$3,300 saved the state about 50 percent of the estimated taxpayer appropriation of \$6,500 for each full-time student at a state university.<sup>[11]</sup>



**Call to action:** To support TEGs in the Texas legislature, please visit [txcatholic.org/education](http://txcatholic.org/education) to contact your lawmaker. Please also pray for our legislators, that they may uphold laws which ensure that the benefits of higher education are open to all Texas children.

*The TCCB is a federation of all Roman Catholic dioceses and ordinariates in Texas. There are 8 million Catholics living in our state. To contact us, call our office at 512-339-9882 or find TXCatholic on [Facebook](#) and [Twitter](#).*

Figure 2: TEG annual appropriations and average grant awarded (FY 1972-2017)



Source: THECB, *Report on Student Financial Aid in Higher Education FY 2017*, 51; Independent Colleges and Universities of Texas, *TEG Appropriations History*; Fed. Reserve of St. Louis, *CPI for All Urban Consumers*. Nominal dollars adjusted for inflation using real 2017 dollars.

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## Endnotes

1. St. John Paul II, [\*Ex Corde Ecclesiae \[On Catholic Universities\]\*](#), The Vatican. (August 15, 1990), Sec. 30, cf. 4.
2. Jn. 14:6.
3. Congregation for Catholic Education, [\*Lay Catholics in Schools: Witness to Faith\*](#). October 15, 1982. § 3, cf. 56.
4. THECB, [\*The 8th Grade Cohort Longitudinal Study: 10 Year Anniversary\*](#). (October 2017).
5. [63 RS SB 56](#) (1971); Texas Edu. Code [Ch. 61 § 221-230](#); Texas Admin. Code [Ch. 22, Subchapter B](#).
6. Texas Higher Education Coordinating Board, [\*Report on Student Financial Aid in Texas Higher Education: Fiscal Year 2017\*](#). September 2018. 49.
7. Specifically, TEG recipients must be enrolled at least three-fourths time in a degree plan leading to a first degree, meet the institution's Satisfactory Academic Progress (SAP) requirements if applying for initially eligibility, complete 75 percent of attempted hours each year, complete 24 credit hours if an undergraduate or 18 credit hours if a graduate student, and not receive an athletic scholarship.
8. Texas Higher Education Board, [\*College for all Texans: Tuition Equalization Grant Program\*](#).
9. [\*Report on Student Financial Aid: FY 2017\*](#), 49.
10. Ibid.
11. Independent Colleges and Universities of Texas, [\*2017 TEG Handout\*](#). Page 5.