

# Strengthening Student Aid in Texas: Can the TEXAS Grant Program Support Transfer Students?

Sandy Baum and Kristin Blagg  
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The 60x30 plan focuses on increasing the share of adults in Texas with a postsecondary degree or certificate and notes the significant earnings advantage associated with bachelor’s degrees. Ensuring that the Toward EXcellence, Access, and Success (TEXAS) grant program adequately supports students transferring from community colleges to four-year institutions would further this goal.

## Do Transfer Students Receive TEXAS Grants?

Eligibility for the TEXAS grant includes a pathway for associate degree recipients who enroll in a four-year public institution within a year of earning an associate degree in Texas and a pathway for transfer students who have completed at least 24 semester credit hours with a minimum 2.5 grade point average after receiving a Texas Educational Opportunity Grant (TEOG). But more than 95 percent of TEXAS grant recipients come directly from high school.

In other words, in practice, the program does not fund transfer students. Returning students who have already received TEXAS grants and initial-year students who meet high academic standards have priority, and funds run out before most transfer students are funded.

## How Important Are Transfer Students for Degree Attainment Goals?

Almost half of all Texas undergraduates are enrolled in public two-year institutions (table 1).

TABLE 1

Transfer Student Share of Enrollment in Various Sectors

	Public Institutions		All Undergraduates
	Four-year	Two-year	Public two-year
US	57%	43%	33%
Texas	48%	52%	47%

Source: National Center for Education Statistics, *Digest of Education of Education Statistics 2019*, table 304.80.

A quarter of the students who started at a Texas two-year college in 2013 transferred to a four-year institution. This includes 16 percent of Black students and 22 percent of Hispanic students.<sup>1</sup> A third of 2019 bachelor's degree graduates in the state had completed 30 or more semester credit hours at a two-year college. That share is over 70 percent at Texas A&M University–Central Texas and San Antonio and over 50 percent at Sul Ross State University. The share of students transferring ranges from less than 15 percent at some community colleges to more than 30 percent at several of these institutions.<sup>2</sup>

Students begin at community colleges for various reasons. They may not be academically prepared for a four-year institution, or they may have limited financial resources. Among students who first enrolled in a community college in 2011–12, 55 percent expected to complete a bachelor's degree or higher. Six years later, 13 percent had earned a bachelor's degree and 5 percent were enrolled in a four-year institution.<sup>3</sup>

Many barriers interfere with students' aspirations, but financial constraints are significant. Assistance from the state grant program could make a difference in the success rates of Texas students.

## Policy Options

Expanding the pathways to TEXAS grant eligibility for students transferring from community colleges and increasing the share of grant recipients who come through those pathways could increase the number of students from low-income backgrounds who earn bachelor's degrees.

Requiring students who come through the transfer pathway to have received a TEOG award is particularly problematic because only about 10 percent of eligible community college students receive this aid. Without more adequate funding of the TEOG program, this requirement effectively excludes most students from the transfer pathway.

Like the high school pathway, the associate degree pathway requires a rapid transition from one level of education to the next. This condition eliminates many students who stop out for academic, financial, or other reasons. But unless the program can fund a higher share of eligible students or unless the priority academic requirements are modified, few of these students are likely to receive TEXAS grants in any case.

*Sandy Baum is a nonresident senior fellow in the Center on Education Data and Policy at the Urban Institute. Kristin Blagg is a senior research associate in the Center on Education Data and Policy.*

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<sup>1</sup> Texas Higher Education Coordinating Board (THECB), *2020 Texas Public Higher Education Almanac* (Austin: THECB, 2020), 16.

<sup>2</sup> THECB, *2020 Texas Public Higher Education Almanac*, 21.

<sup>3</sup> Beginning Postsecondary Students Longitudinal Study 2012/17, PowerStats, calculations by the authors.

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500 L'Enfant Plaza SW  
Washington, DC 20024

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