HB 621 Jackson et al. 4/16/97 (CSHB 621 by Rangel)

SUBJECT: Establishing Texas Chiropractic College within the state university system

COMMITTEE: Higher Education — committee substitute recommended

VOTE: 8 ayes — Rangel, Solis, Bailey, Cuellar, Dunnam, Kamel, Rabuck, E.

Reyna

0 nays

1 absent — Rodriguez

WITNESSES: For — Jack Christie, Bill Clayton, Sandy Mooney, and Kenneth S. White,

Texas Chiropractic College

Against — None

On — Kenneth Ashworth, Higher Education Coordinating Board

BACKGROUND Texas Chiropractic College (TCC) in Pasadena is a private, nonprofit,

professional institution. Certified chiropractors currently practice in 180

counties across the state.

DIGEST: CSHB 621 would require the Higher Education Coordinating Board to

determine by August 31, 1998, whether Texas Chiropractic College (TCC)

should be established as an institution of Texas public higher education.

Should the coordinating board make such a determination, it would have to determine which university system and governing board would be best

suited for TCC. If the TCC board of trustees and the chosen university system agreed to the transfer, the coordinating board would transfer TCC management, organization, control and property to the university system.

The transfer would take effect September 1, 1998.

The institution's new governing board would undertake to govern, operate, manage, and control the new institution and its land, buildings, facilities,

improvements, equipment, facilities, supplies and property.

The rules and policies adopted by the TCC board of trustees would remain in effect until adopted, repealed or superseded by the governing board of the university system, which could also adopt new rules and policies applicable to the new institution in anticipation of the transfer.

The governing board could decide upon a name for the new institution, which could continue to award the same type of degrees subject to the review of the coordinating board. Proposals for new degree programs would be subject to the same approval as those from other state-supported institutions. The governing board of the university system would substitute for TCC's board of trustees in contracts or written obligations to the extent allowed under law or under the contract. Any funds dedicated or held for the use and benefit of TCC would be transferred to the governing board.

An employee of TCC on the date of the transfer would receive credit for any years of service for the purpose of accruing annual leave, but would otherwise be treated as a new employee of the university system.

The transfer of TCC would not affect the credit hours of a student enrolled before the date of the transfer, and the tuition rate charged by TCC on January 1, 1997 would remain in effect. The tuition rate could not be decreased, but could be increased annually, subject to approval of the governing board.

CSHB 621 would establish legislative intent to transfer TCC governance according to its provisions and specify that the transfer would not create an institution constitutionally entitled to state funds.

After the transfer, the governing board would have the same powers and duties toward the new institution as any component of the university system. The governing board could: provide for the training and teaching of students; prescribe courses leading to degrees customarily offered in other leading chiropractic schools in the nation; award degrees; enter into a necessary affiliation or coordinating agreement; make joint appointments within the university system; and adopt rules necessary for the operation, control and management of a first-class school of chiropractic medicine.

The governing board would be required to publish notice of the transfer in the *Texas Register* as soon as practical.

CSHB 621 would take immediate effect if finally approved by a two-thirds record vote of the membership of both houses.

SUPPORTERS SAY:

CSHB 621 would allow Texas to assume leadership in a changing health care market that emphasizes alternative health care and partnerships between alternative and traditional medical professionals. As the entire industry shifts toward managed care, more interplay between traditional and alternative forms of medicine is needed. Texas medical professionals have already recognized this need; TCC has recently negotiated a partnership to train students at a Houston medical center.

Responding to these changes would allow the state to benefit more directly from the resources of chiropractic medicine while allowing chiropractic medicine to be supported by the resources of a state university system. Incorporation in a state system would eliminate any remaining stigma attending chiropractic care and allow the benefits of chiropractic medicine to reach more Texas citizens.

TCC would be the first chiropractic college in the United States to become part of a public university system, following the lead of other nations, including Australia and Canada, that have incorporated chiropractic colleges into public university systems. Access to and interaction with a state university system would allow TCC to improve its research capabilities and better serve its students and the citizens of Texas and give an additional measure of control to the chiropractic system, one already well regulated and monitored by the Council for Chiropractic Education Commission on Accreditation.

The state currently deems the study of chiropractic worthy of state support, funding students at TCC through tuition equalization grants. In fiscal 1996, the college received 422 awards of a total of \$473,140. As part of a university system, TCC would no longer be eligible for these funds, and they would be available for students at other private institutions. TCC is currently self-supporting and would remain so as a component of a

university system. The Legislative Budget Board's fiscal note anticipated no significant fiscal implication to the state.

The Legislature's option to contract with TCC or Parker College of Chiropractic for the training of Texas chiropractic students should not preclude incorporating TCC into a university system. HB 854 by Wolens, which has been favorably reported by the Higher Education Committee, would specifically allow the state both to establish a public chiropractic college and to contract education out to a private institution. Such an arrangement already is in place between the state and Baylor College of Medicine, a private school that receives state funds.

CSHB 621 would not specify into which segment of the state university system TCC should be incorporated. Rather, it would leave the decision up to the Higher Education Coordinating Board, which is better positioned to make this assessment. This provision of the bill also reflects the consensus among top state leaders that the board should have a say in legislation affecting higher education so as to ensure coordinated and comprehensive policies.

OPPONENTS SAY:

No compelling need has been demonstrated for the state to expand its current involvement in the training of chiropractors. The funding of chiropractic education through tuition equalization grants is adequate involvement.

Incorporation of TCC into a state university could place unanticipated burdens on the higher education system. Although the TCC program is currently self-supporting, no independent institution has ever been absorbed into the state's public system of higher education without requiring additional state funding. The salaries and benefits for the additional employees, for example, could require increased state contributions in future years. Since higher education institutions in the state are already under significant financial pressure, adding an ill-defined future obligation would be inadvisable.

OTHER OPPONENTS SAY:

If the Legislature determined that the best interest of the state would be served by increasing public participation for TCC, an alternative to a merger with a university system exists. The Legislature could fund an existing

statute that allows the coordinating board to contract "with Texas Chiropractic College and Parker College of Chiropractic for the preparation or instruction of Texas resident undergraduate chiropractic students . . . unless a public school of chiropractic is established." The statute was added in 1983, but the Legislature has not provided appropriations to fund it.

NOTES:

The original version of CSHB 621 proposed that TCC be transferred, upon agreement of the governing boards of both institutions, to the Texas A&M University System. The substitute added the provision that the coordinating board determine whether there was a need for the transfer and which system would be best suited to take over TCC.

The companion bill, SB 260 by Patterson, has been referred to the Senate Finance Committee.