

SUBJECT: Incorporating the University of Central Texas into a public university system

COMMITTEE: Higher Education — favorable, with amendments

VOTE: 5 ayes — Rangel, Solis, Bailey, Cuellar, Kamel
0 nays
3 absent — Dunnam, Rabuck, E. Reyna

SENATE VOTE: On final passage, April 25 — 27-0

WITNESSES: For — Daniel R. Zanini, Fort Hood; Robert Shoemaker, Central Texas University Task Force; Raul G. Villaronga, City of Killeen; Charles Patterson; James Anderson; Eddie Velez; Lemuel Williams, Jr.; Heather L. Clapper; Judy K. Tyler; Naomi Carrol; and 47 other individuals

Against — Jerry G. Bawcom, University of Mary Hardin-Baylor; Jim Covington, Belton Chamber of Commerce; Mike Frazier, Roberto Balion and Clement P. Moreno, Republican National Hispanic Assembly of Texas; Ernie E. Roberts; Gary Lamm; Monica Ruth Garcia; and 59 other individuals

On — Joe Krier, Higher Education Coordinating Board

BACKGROUND : The University of Central Texas is a private upper-level institution located in Killeen.

DIGEST: CSHB 621, as amended, would require the Higher Education Coordinating Board to determine by August 31, 1998, whether governance of the University of Central Texas (UCT) should be transferred to a Texas public university system.

If the boards of regents of UCT and the Texas A&M System or another university system agreed to the transfer, the transfer would take effect September 1, 1998, and UCT would be known as the Public University of Central Texas until the system board of regents assigned it a different name.

The university system's regents would undertake to govern, operate, manage, and control the institution and its land, buildings, facilities, improvements, equipment, facilities, supplies and property. The rules and policies adopted by the UCT board of regents would remain in effect until adopted, repealed or superseded by the governing board of the university system, which could also adopt new rules and policies applicable to the new institution in anticipation of the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 institution could continue to award degrees in the same disciplines and of the same academic standing. Proposals for new degree programs would be subject to the same approval as those from other state-supported institutions. The new institution's regents would substitute for UCT regents 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 UCT would be transferred to the new institution's regents.

An employee of UCT 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 new university system. The transfer of UCT would not affect the credit hours of a student enrolled before the date of the transfer.

SB 572 would establish legislative intent to transfer UCT governance according to its provisions and specify that the transfer would not create an institution constitutionally entitled to state funds. After a transfer took place, a chapter would be added to the Education Code describing the institution's status as an upper-division university, and outlining the powers of the board of regents.

The bill would take immediate effect if finally approved by a two-thirds record vote of the membership in each house.

**SUPPORTERS
SAY:**

SB 572 would help meet the educational needs of central Texans by allowing the UCT to transfer to another university system by mutual consent and on approval of the Higher Education Coordinating Board. The central Texas area is one of the fast-growing regions in the state with about 750,000 residents and includes Fort Hood, the largest army base in the world. Currently there are two junior colleges in the area but no public university

offering upper-level courses. Private universities in central Texas do not offer affordable education accessible to all Texans. Providing UCT with the resources of a state university system would help it develop programs to meet the needs of central Texans and complement other available programs. Because the university would only be able to offer upper-level courses, it would take advantage of and preserve the two junior colleges in the area, Temple Junior College and the Central Texas College.

The university would generate tuition and fees, and any future costs to the state would be an investment in Texans that would be repaid to the state many times over. Giving central Texans access to public higher education would be an economic investment for the entire state.

Allowing the transfer would not dilute funding to other universities. The university would not be eligible for money from the Higher Education Assistance Fund or the Permanent University Fund. Formula funding for higher education comes from general revenue and is based in part on enrollment, so money would not be taken from other schools.

The Legislature has already approved a similar measure this session, permitting Texas College of Chiropractic to be incorporated into the Texas A&M University System if the institutions and the coordinating board agree to the transfer. SB 572 would simply extend this opportunity to UCT, giving it the opportunity to evolve and expand its service to the citizens of central Texas.

**OPPONENTS
SAY:**

There is no demonstrated need for UCT to be incorporated into a public university system. The Killeen area is already served by several public institutions that allow central Texans access to higher education at public school rates. Course offerings by public institutions, including Texas A&M and Tarleton State, which offer several degree programs at Fort Hood, are sparsely attended. These degree programs should be fully taken advantage of before the state considers establishing a new public university in the area.

During the 74th session, HB 2247 by Black proposed to transfer governance of UCT to the Texas A&M University System, but the Legislature did not see fit to approve the transfer. Furthermore, the coordinating board voted unanimously on July 18, 1996, that the transfer was not needed. No new

evidence has been produced since that time to justify creating a new public university in central Texas.

OTHER
OPPONENTS
SAY:

Incorporating UCT into a state university could place unanticipated burdens on the higher education system. 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. The Legislative Budget Board estimates that SB 572 would cost the state over \$2 million during fiscal 1998-99 and each biennium thereafter.

Texas should not undertake such a financial burden during this time of economic uncertainty. Higher education institutions are already under severe financial pressure, and if their resources are stretched even thinner among a larger number of institutions, the quality of higher education could be diminished for all Texas' students.

NOTES:

The Senate-passed version would have transferred governance of UCT to the Texas A&M System. The committee amendments would stipulate that the university be transferred to any university system that agreed to the transfer.