HOUSE RESEARCH ORGANIZATION	bill analysis	5/10/2003	HB 2802 Giddings (CSHB 2802 by J. Jones)
SUBJECT:	Establishing a pharmacy school at UNT Health Science Center		
COMMITTEE:	Higher Education — committee substitute recommended		
VOTE:	7 ayes — Morrison, F. Brown, Chavez, Giddings, Goolsby, J. Jones, Mercer		
	0 nays		
	2 absent — Nixon, Smithee		
WITNESSES:	For — John C. Gavras, Dallas-Fort Worth Hospital Council		
	Against — None		
	On — Ronald R. Blanck D.O., Greg McQueen Health Science Center		en, University of North Texas
BACKGROUND:	Pharmacy degree r Southern Universit Health Sciences Co authorized a new p Kingsville and app fiscal 2002-03. Sir	required for practice and lice ty, University of Houston, a enter at its facilities in Ama obarmacy school at Texas A propriated \$350,000 in start ace 2001, TAMU-Kingsvill t pharmacy school building	hat offer the six-year Doctor of censure: UT-Austin, Texas and Texas Tech University arillo. The 77th Legislature A&M University (TAMU) in t-up funding for the school in the le has broken ground on a g and plans to enroll its first class
DIGEST:	CSHB 2802 would allow the University of North Texas (UNT) System boar of regents to establish and maintain a school of pharmacy as a professional school of the health science center. The board could offer courses leading to customary degrees at other leading American pharmacy schools and award those degrees. If available facilities became insufficient to operate a pharma- school, the board could build a permanent facility on land owned by the system for establishing the UNT at Dallas. By August 31, 2004, the Texas Higher Education Coordinating Board		of pharmacy as a professional d could offer courses leading to a pharmacy schools and award nsufficient to operate a pharmacy cility on land owned by the
	(THECB) would have to prepare an impact statement examining the initial		

HB 2802 House Research Organization page 2

implementation of the bill and submit it to the UNT Board of Regents and to the chair of the legislative committees with jurisdiction over higher education.

The bill would take effect September 1, 2003.

SUPPORTERS SAY:
CSHB 2802 would help relieve the statewide and national shortage of pharmacists by allowing UNT to establish a professional school of pharmacy at the University of North Texas Health Science Center (UNTHSC). There are more than 100 pharmacy schools nationwide, but only five in Texas, including TAMU-Kingsville, which will not start offering courses until 2005. The North Texas metroplex is the only part of the state with a population of its size that does not have a professional pharmacy school, and UNTHSC is well-positioned to fill this gap in medical services.

UNTHSC offers the best fit to become the state's next pharmacy school because its Department of Pharmacology has the leadership, faculty and infrastructure to move forward with the accreditation process at no cost to the state. UNTHSC would offer pharmacy students the opportunity to receive a comprehensive pharmacy education. Students would have the opportunity to conduct research, pursue dual degrees, and work closely with doctors and other UNTHSC medical staff in clinical settings. UNTHSC also has the capacity to train pharmacy educators who could meet the pressing need for teaching staff at pharmacy schools throughout the state.

The bill would authorize the UNT Board of Regents to implement plans that have formed over the past decade to address the overall health care needs of the Metroplex region and would provide the assurance that the state supported the project before UNT committed additional resources to it. Even though statutory authorization technically is not required for the project to proceed, legislative authorization is critical in practice to the success of a pharmacy school.

The UNT pharmacy school would not compete with or drain resources from the pharmacy school at TAMU-Kingsville. Initial plans for the school call for a minimal state investment, and the school at first would be based in existing facilities. In its educational impact statement on HB 2802, THECB recommended not authorizing the establishment of a new pharmacy school primarily because of problems that TAMU-Kingsville has had in attracting

HB 2802 House Research Organization page 3

faculty to get that school off of the ground. But UNTHSC does not expect to have the same experience, and should not be held back just because of the difficulties TAMU-Kingsville has faced. UNT already has a commitment for a dean for the school and, with the School of Pharmacology and other related programs, has access to a strong network from which to hire other faculty and staff.

OPPONENTS CSHB 2802 is unnecessary because the UNT Board of Regents does not need statutory authority to establish a pharmacy school. The board would need to get approval for its plans from THECB to ensure that the establishment of the school was consistent with statewide higher education planning.

In its educational impact statement on HB 2802, THECB recommended not authorizing the establishment of a new pharmacy school until the Kingsville school was firmly established and trends in pharmacy practice showed a continued need for more pharmacists in the state. The report pointed out that, considering the lag time in graduating pharmacy students from a new school, the costs of a new school should be weighed against less expensive alternatives that might provide pharmacy education to residents of the Metroplex. Furthermore, the report said, given limited state resources and a nationwide shortage of clinical faculty, an additional pharmacy school could detract from resources needed at TAMU-Kingsville, which is developing in a region of the state where the need for pharmacists is greatest.

While the state's initial share of the cost for building a new pharmacy school would be modest, the state's long-term financial commitment would be significant. Rather than committing to the expense of establishing a comprehensive pharmacy school, the state should support distance learning and other efforts by Texas Tech to meet the need for pharmacy education in the Metroplex.

NOTES: The committee substitute differs from the bill as introduced by authorizing the board to build a facility on land owned by the UNT System for establishing the UNT at Dallas.

According to the Legislative Budget Board, CSHB 2802 would have a negative fiscal impact of \$350,000 in fiscal 2004-05. The THECB estimates the construction of a 60,000 square foot pharmacy building would cost \$21.5

HB 2802 House Research Organization page 4

million in tuition revenue bonds. The estimated cost of debt service on the revenue bonds, combined with operation and maintenance costs, are projected to be \$3,075,893 in fiscal 2006-07 and \$5,735,627 in fiscal 2008, when the school enrolls its first class of 65 students. The 2008 projection includes projections for operating costs and salaries and benefits for 15 additional faculty and staff.