SUBJECT: Establishing Texas A&M-San Antonio and Texas A&M-Central Texas

COMMITTEE: Higher Education — favorable, without amendment

VOTE: 8 ayes — Morrison, F. Brown, Chavez, Giddings, Goolsby, J. Jones, Mercer,

Nixon

0 nays

1 absent — Smithee

SENATE VOTE: On final passage, April 30 — 31-0

WITNESSES: For — Carroll Schubert, City of San Antonio

Against — None

On — Dennis P. McCabe, Tarleton State University; Leo Sayavedra, The

Texas A & M University System

BACKGROUND: Under Education Code, ch. 87, subch. J, The Public University for Central

Texas is a coeducational upper-level educational institution located in Killeen operated by the Texas A&M University System. The institution can accept

only junior, senior and graduate-level students.

The Texas A&M University-Kingsville System Center-San Antonio opened in

the fall of 2000 on the campus of Alamo Community College District.

Under Education Code, sec. 61.056, the Texas Higher Education

Coordinating Board (THECB) is required to review any proposed statute that would establish an additional institution of higher education, except a public junior college, and to provide its opinion to the governor and the Legislature as to the state's need for the institution. A recommendation that an additional institution is needed requires approval by at least two-thirds of the members

of the Coordinating Board.

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Under Education Code, sec. 61.051, THECB is required to develop a five-year master plan for higher education and to update it annually. In 2000, THECB, in cooperation with higher education, business, and community leaders, developed a master plan for higher education entitled *Closing the Gaps by 2015*. The plan focuses on steps the state can take to better prepare its workforce through improvements in higher education participation, graduation rates, and funded research. Two specific goals are to enroll an additional 500,000 students in higher education by 2015 and to increase by 50 percent the number of degrees and certificates awarded by high quality programs.

DIGEST:

SB 800 would establish Texas A&M University-San Antonio (TAMU-SA) in Bexar County and Texas A&M University-Central Texas (TAMU-CT) in Bell County as general academic teaching institutions. THECB would have to certify that enrollment had reached an equivalent of 2,500 full-time students per semester at Texas A&M University-Kingsville System Center-San Antonio before TAMU-SA could operate as a general academic teaching institution, and at Tarleton State University System Center-Central Texas in Killeen before TAMU-CT could operate as a general academic teaching institution.

Both institutions would be components of the Texas A&M University system and would be under the management and control of the A&M Board of Regents. The board could prescribe courses leading to baccalaureate, master's and doctoral degrees in all fields of study, including professional degrees. No department, school, or degree program could be instituted without the prior approval of the THECB.

Establishment of these institutions would not be subject to statutes requiring prior review and approval by THECB. Statutes establishing the Public University of Central Texas as coeducational upper-level institution in Killeen would be repealed. The A&M Board of Regents would have to consult with general academic teaching institutions, Central Texas community colleges, local government leaders, and community leaders prior to a decision to offer lower-division courses at TAMU-CT.

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The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2003.

SUPPORTERS SAY:

SB 800 would meet a rapidly increasing demand for higher education opportunities in southern Bexar County and in Bell County, and would help the state meet goals outlined in *Closing the Gaps by 2015*. It would support the expansion of these two institutions to meet pressing needs for higher education in their communities without presenting any immediate costs to the state.

While Bexar County is home to many high quality academic institutions, none of the general academic teaching institutions are based in the southwest part of the county in spite of overall population growth in this area. SB 800 would allow the A&M system to meet a documented need for educational opportunities in this overwhelmingly Hispanic community. Similarly, the bill would allow A&M to meet the need for a general academic teaching institution in Bell County in Central Texas, where the Tarleton State University System Center-Central Texas has experienced phenomenal growth.

The bill would allow the A&M University system to begin making plans for this growth, while ensuring that a new institution was not established until existing facilities reached sufficient enrollment levels. This would allow A&M to take advantage of current opportunities, including the donation of 900 acres of land in southern Bexar County for the A&M campus, while not competing with existing institutions for students.

SB 800 would promote economic development in the southern half of San Antonio and help provide skilled workers for the Toyota plant that is planned for that area.

OPPONENTS SAY:

This bill would allow the A&M System to bypass established systems for higher education planning in Texas through the THECB approval process without a strong indication that bypassing this system is necessary or justified. In its Higher Education Impact Statement for SB 800, the Legislative Budget Board (LBB) raised a number of concerns about the bill. For example, LBB estimates that the proposed four-year institutions might duplicate opportunities already available at local community colleges and might require

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the dedication of more resources than planned. In addition, it questioned whether the one-time threshold of 2,500 full-time students would be sufficient to demonstrate the continuing demand necessary to support the provision of the broad range of high quality programs and services offered by a full university. Small universities generally do not have sufficient enrollments to support a wide array of degree programs and generally are not able to operate as efficiently as larger universities, with a significantly higher portion of state funds used to pay administrative costs rather than teaching costs.

Although SB 800 would not create any immediate costs to the state, the LBB estimates that the initial costs related to building a new university campus probably would start at \$40 million to build the first teaching and administration building and to provide a minimal amount of basic improvements. The Legislature should consider carefully whether the need for these institutions truly justifies the state funding that will be required over time.