4/29/2013

HB 257 N. Gonzalez, et. al (CSHB 257 by Branch)

SUBJECT: Texas Tech Health Science Center at El Paso

COMMITTEE: Higher Education — committee substitute recommended

VOTE: 9 ayes — Branch, Patrick, Alonzo, Clardy, Darby, Howard, Martinez,

Murphy, Raney

0 nays

WITNESSES: For — Paul Foster; (*Registered, but did not testify:* Richard Dayoub,

Greater El Paso Chamber of Commerce; Robert Flores, Texas Association

of Mexican-American Chambers of Commerce)

Against — None

On — Kent Hance, Texas Tech University System; (*Registered, but did not testify:* David Gardner, Texas Higher Education Coordinating Board)

BACKGROUND: Texas Tech University since 1973 has operated a regional health sciences

center in El Paso. The Paul L. Foster School of Medicine, Gayle Greve Hunt School of Nursing and Graduate School of Biomedical Sciences are

part of the health sciences center in El Paso.

Tex. Const., Art. 7, sec. 17 allows the Legislature to provide

appropriations to universities, health-related institutions and technical college institutions. Texas Tech University Health Sciences Center,

including its campus in El Paso, receives general revenue from the Higher

Education Fund provided by this section of the state constitution.

DIGEST: CSHB 257 would make the Texas Tech University Health Sciences Center

at El Paso campus a component institution within the Texas Tech

University System under the direction, management, and control of its

board of regents.

The board could make joint appointments in the health science center and other component institutions. It could accept gifts and grants for the benefit of the Texas Tech University Health Sciences Center and could enter into agreements with other institutions or entities. A teaching hospital provided by a public or private entity would be authorized but

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could not be constructed, maintained, or operated with state funds.

CSHB 257 would amend the Education Code to reflect the Texas Tech University Health Sciences Center at El Paso as a component institution operating within the Texas Tech University System. Employees of the Texas Tech Diabetes Research Center would become employees of the Texas Tech University Health Sciences Center at El Paso.

The Texas Tech University Health Sciences Center at El Paso would be subject to the continuing supervision of the Texas Higher Education Coordinating Board and related rules.

If the bill received the vote of more than two-thirds of members from each house, the institution would be eligible for appropriations from the Higher Education Fund beginning with the annual appropriation for the state fiscal year beginning September 1, 2015.

This bill would take effect immediate effect if passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2013.

SUPPORTERS SAY:

Creating autonomy through a stand-alone health sciences center in El Paso that is part of the Texas Tech University System would spur the institution's valuable health care mission. It also would improve medical access and quality of life for an underserved community.

Autonomy for the health sciences center in El Paso would allow its administration to adjust its programs quickly to new trends and respond to unexpected health care demands, which would sharpen efficiency and save money. The growing campus in El Paso, which is comprised of an urban and younger Hispanic-majority population, caters to a different community than the campus in Lubbock. El Paso County has about 240,000 uninsured residents and ranks among the counties with the least access to care in the United States. Texas Tech medical students help provide care as part of the school's approach of educating people in practical settings. Allowing the health sciences center to make decisions as a stand-alone institute also could help preserve the slate of research programs that focus on diseases and conditions that are prevalent for Hispanics, the fastest-growing demographic in the United States. How Texas provides health care to this community could serve as a model for other states and communities to follow.

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The fiscal note prepared by the Legislative Budget Board indicates there would not be a significant fiscal implication to the state and points out that administrative, accreditation, and technology costs of creating a standalone institution would be absorbed by Texas Tech University Health Sciences Center.

The bill also would encourage more private donations from people who may be reluctant to give to satellite campuses. Charitable giving and endowments are invaluable to growing a higher education institute. Support from private donors could yield growth at the health sciences center in El Paso, which, in turn, could draw investments from companies in the health care industry and provide the community with high-paying jobs.

OPPONENTS SAY:

CSHB 257 simply would create an unnecessary administrative structure that could siphon tax dollars from more pressing state needs and could lead to an increase in the fees and tuition that students pay. Texas Tech already provides the necessary staff to run the health sciences center in El Paso. Creating a component institution of the Texas Tech University System, with its own president and additional administrative staff, would require additional funding when money for higher education is scarce.

NOTES:

The companion bill, SB 120 by Rodriguez, was passed by the Senate by a vote of 30-1 on March 13 and reported favorably by the House Higher Education Committee on April 23.

The committee substitute differs from the bill as filed by:

- stipulating that a public or private entity could provide for the health science center's teaching hospital and prohibiting the use of state funds to construct, maintain, or operate the teaching hospital;
- adding a provision stipulating that a vote of more than two-thirds of the membership of each chamber of the Legislature would create the component institution and qualify it for appropriations from the Higher Education Fund;