

SUBJECT: Transfer of the University of Central Texas to Texas A&M system

COMMITTEE: Higher Education — committee substitute recommended

VOTE: 6 ayes — Rangel, Goolsby, Kamel, Moreno, Reyna, Rodriguez

0 nays

3 absent — Ogden, Gallego, Harris

WITNESSES: For — Mary H. Kliwer, Central Texas College; Raul G. Villaronga, cities of Killeen, Copperas Cove, Harker Heights; Ileen F. Rogers, Fort Hood; Bill Clayton; Jack Fuller.

Against — James J. Herring; Steve Lee

On — Barry B. Thompson, Texas A&M University; Don W. Brown, Texas Higher Education Coordinating Board; Paul E. Funk

DIGEST: CSHB 2247 would transfer the University of Central Texas to the Texas A&M University system if the board of trustees of the University of Central Texas and the board of regents of Texas A&M system agree to the transfer and it is approved by the Texas Higher Education Coordinating Board by August 31, 1996. The transfer would take effect September 1, 1996, and the school would be known as Texas A&M University — Central Texas.

Texas A&M University — Central Texas would be a coeducational institution that could accept only junior, senior and graduate-level students. Texas A&M University — Central Texas would be able to continue to award the same degrees as it does as the University of Central Texas, and any new degree programs would be subject to the standard process applicable to other public institutes of higher education.

Texas A&M University — Central Texas would not be eligible for Higher Education Assistance Fund (HEAF) or the Permanent University Fund (PUF) funding under Art. 7, sec. 17 and 18 of the Constitution.

The bill would take immediate effect if approved by two thirds of the membership of each house.

**SUPPORTERS
SAY:**

CSHB 2247 would help meet the educational needs of central Texans by allowing the University of Central Texas, a private upper-level university in Killeen, to transfer to the Texas A&M System by mutual consent. The University of Central Texas was founded in 1973 and currently has about 850 students. The university's degree offering includes business, criminal justice, psychology and air science. Both schools would have to agree to the transfer, and the Texas Higher Education Coordinating Board would have to approve it.

The Central Texas area is one of the fast-growing regions in the state with about three-quarters of a million people 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. Transferring the University of Central Texas to the Texas A&M system would fill this void. Private universities in central Texas do not offer affordable education accessible to all Texans. Texas A&M would develop programs to meet the needs of central Texans and to complement other available programs.

Access to higher education in the Killeen area could be important in keeping Fort Hood open when the federal government considers base closures. Fort Hood is a stable base that is crucial to the U.S. military and has absorbed other bases when they have closed. The state should do all it can to help in the development and growth of Fort Hood, which has a major economic impact on all of Texas.

CSHB 2247 would give central Texans access to higher education in a practical and economical way by transferring an existing university into the Texas A&M system. No state funds would be given to the university in the fiscal 1996-97 biennium. No buildings would have to be built, and Texas A&M has been exploring ways to use its resources to provide classes through telecommunications and video. 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 state.

Because Texas A&M University — Central Texas 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. Any new degree programs would be subject to the standard approval process.

Allowing the transfer would not dilute funding to other universities. Texas A&M University — Central Texas 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. Because the Constitution would have to be amended to allow HEAF or PUF funding for Texas A&M University — Central Texas, the people of Texas would have to agree to any change that would allow them access to the funds.

**OPPONENTS
SAY:**

The creation of any additional higher education institutions could lead to the dilution of existing higher education resources. The Higher Education Assistance Fund and Permanent University Fund are limited and if Texas A&M University — Central Texas gains HEAF or PUF funds in the future, money available for other universities could be reduced. Transferring the university could lead to a strain on other state resources because higher education formula funding comes from the tightly-stretched general revenue fund. While the fiscal note shows no costs for fiscal 1996-97, it estimates costs of \$2 million in general revenue formula funding in 1998 and \$2.1 million in 1999. Also, the need for a public university should not be based on the presence of Fort Hood which could prove unstable.

NOTES:

The original version would have allowed the transfer of Central Texas University, a four-year public institute of higher education authorized in Education Code Chapter 113.12 but not established, to the governing board of another higher education institution or university system that agreed to the transfer, subject to the approval of the Higher Education Coordinating Board.