

SUBJECT: Establishing a pharmacy school at The University of Texas at Tyler

COMMITTEE: Higher Education — favorable, without amendment

VOTE: 8 ayes — Branch, Patrick, Alonzo, Clardy, Darby, Howard, Murphy,
Raney

0 nays

1 absent — Martinez

SENATE VOTE: On final passage, April 11 — 31 - 0

WITNESSES: *(On House companion bill, HB 1610)*

For — Rick Rayford, Brookshire Grocery Co.; *(Registered, but did not testify: John Hawkins, Texas Hospital Association; Gardner Pate, Methodist Hospital System; Paul Troiano, Trinity Mother Frances; Ronnie Volkening, Texas Retailers Association)*

Against — None

On — Kirk Calhoun, UT Health Science Center at Tyler; Rodney Mabry, University of Texas at Tyler; *(Registered, but did not testify: Paul Davis and Emory Martin, Texas Society of Health System Pharmacists; David A. Marwitz, Texas Pharmacy Association; Stacey Silverman, Texas Higher Education Coordinating Board)*

BACKGROUND: Currently, there are five established public pharmacy schools in Texas, as well as one private institution. An additional public pharmacy school is expected to enroll its first students this fall.

DIGEST: SB 566 would allow The University of Texas System Board of Regents to establish a pharmacy school at The University of Texas at Tyler.

The Board of Regents would support the operations and capital expenses through tuition, gifts, grants, and other institutional or system funds.

The pharmacy school would not be eligible for state funding under the

formula funding system.

This 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, 2013.

**SUPPORTERS
SAY:**

SB 566 would create a self-supporting pharmacy school at UT Tyler in partnership with UT Health Science Center at Tyler. The school would be modeled after a pharmacy school created by East Tennessee State University in 2005. SB 566 specifically provides that the pharmacy school would not be eligible for state formula funding. Instead, the school would be supported by donations and tuition.

The need for pharmacists in Texas far outweighs the number of seats available at Texas schools, which has resulted in many job vacancies being filled by graduates from other states and countries. This has led to a high turnover rate because many of those pharmacists want to return home after a few years.

Also, the lack of pharmacy slots means some Texas pharmacy students must attend school out of state to pursue pharmacy as a career. Texas pharmacy schools currently receive roughly 3,400 applications per year for a total of around 800 seats. As of this academic year, 571 Texas residents are attending pharmacy school out of state.

UT Tyler expects to enroll roughly 100 students per year with tuition below the average out-of-state tuition of states bordering Texas. Establishing a self-supporting pharmacy school at the University of Texas at Tyler would save students money and keep them in the state.

**OPPONENTS
SAY:**

Establishing a self-supporting pharmacy school within the University of Texas System would essentially be creating a private institution within a public institution. While the program would be modeled after a successful program in another state, it still would bring many unknowns. Given the tremendous need in the state for a variety of professional programs, this model could become the expectation when developing future programs, rather than expanding the state's public schools.

While the intent would be to keep tuition below the cost of out-of-state tuition so that students remained in Texas to get their education, tuition costs likely would be higher than at schools supported by state formula

funding. This could become another barrier to students interested in entering professional programs.

The pharmacy school would not be receiving any state formula funding, but instead would be supported by tuition and gifts, much like a private institution. Although the pharmacy school would be under the umbrella of the University of Texas System, the Higher Education Coordinating Board could have limited oversight over a program independent of the state.

NOTES:

The House companion bill, HB 1610 by Schaefer, was left pending in the House Higher Education Committee on March 27.

The bill states that the pharmacy school would not be eligible for formula funding and that the board of regents would support the operations and capital expenses through institutional funds. According to the LBB's fiscal note, the bill would not prohibit the use of the Available University Fund for capital expenses or general revenue for special items or debt service for future tuition revenue bonds.