

## The Senate of The State of Texas

SENATE COMMITTEES:

Criminal Justice, Chair Business & Commerce Finance

## Senator John Whitmire

Dean of the Texas Senate

December 2, 2015

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Mr. William McRaven Chancellor The University of Texas System 601 Colorado Street, 4th Floor Austin, Texas 78701

## Dear Chancellor McRaven:

I am writing to express my serious concerns about the University of Texas System's plans to spend over \$200 million (almost a quarter of a billion dollars) from Permanent University Fund debt proceeds to purchase over 300 acres in southwest Houston. In all candor, in my 42 years of service in the Texas Legislature, I have not seen such an affront to the legislative process and the conservative deliberations of the higher education community.

Houston and the surrounding area is well-served by the University of Houston, Texas Southern University and Rice University. Each of these outstanding institutions fill a unique role in the higher education community and, certainly, UH and TSU are worthy of additional state assistance in their desire and efforts to expand their campuses and missions.

While many members of the Legislature were informed of UT's plans the same day the acquisition was approved by the UT System Board of Regents, the search for land in the Houston area has obviously been going on for some time. One has to ask, was this expansion being considered during the last legislative session when we were discussing higher education funding, Tier One, and distribution of the PUF? Not to mention the alarming and steady trend of funding higher education through tuition increases.

As you have said, this will be a game changer for Houston, UT System, and the State of Texas. However, I would say this is also a game changer for the University of Houston, Texas Southern University, Rice University, and I dare say even Texas A&M University System.



I have been around long enough to know that UT can proceed with the land purchase regardless of legislative opposition or expressed concerns from local leaders and the Houston higher education community. But, I would strongly advise the University of Texas System leadership to hold off on any action, including the purchase of the land, until the Legislature reconvenes and we can have a discussion on how this significant move impacts the entire higher education system across Texas.

However, if UT moves forward with this plan to expand in Houston, there must be serious discussions about how we ensure a level playing field for the University of Houston System and Texas Southern University so that these fine institutions can continue to prosper. One important decision to be made would be the future distribution of the Permanent University Fund which has allowed UT to thrive and expand. As the distribution is currently constituted, UT owning 300 acres in Houston and having access to the PUF would give them a distinct advantage over UH and its ability to compete for highly recruited faculty and research dollars.

I look forward to discussing this matter with you, officials at the Texas Higher Education Coordinating Board, and my colleagues in the Texas Legislature.

Sincerely,

John Whitmire

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cc: Governor Greg Abbott
Lt. Governor Dan Patrick
Speaker Joe Straus