April 5, 2013

The Honorable Rick Perry
Governor's Office
PO Box 12428
Austin, TX 78711

Dear Governor Perry:

As the demographics of the State of Texas change and the population grows, it is important to make higher education opportunities available to all residents throughout the entire state. This goal becomes more achievable with the creation of a university of the 21st century in the Rio Grande Valley. This university, featuring blended and online learning and new and highly technologically-equipped classrooms, represents one of the largest economic development opportunities for that region.

The Austin Chamber of Commerce and its Board of Directors support this bold initiative. The new university will help to transform one of Texas’ fastest-growing regions and will, ultimately, bring a new economic vitality to the entire state.

We encourage the Texas Legislature to enact legislation authorizing the University of Texas System to establish and maintain a first-class university in South Texas.

- The new university will combine UT Brownsville, UT Pan American and a future medical school. The main academic campuses will be in Brownsville and Edinburg and will also have a strong, visible presence in Harlingen and McAllen. With a combined student population of approximately 28,000 students, the new university will be one of the largest designated Hispanic-serving institutions in the United States.
- The new university will be immediately competitive with current UT emerging research universities. Its initial annual research expenditures would top $11 million; the new university would also have an endowment of $70.5 million. Research discoveries and innovations will likely attract future investors.
• There will be a significant, positive economic impact on Texas. It’s projected that creating the new university and school of medicine will create more than 7,000 new jobs and attract additional economic development to the region.

• There should be no initial cost to combining the existing universities to the state of Texas because the UT System and two existing campuses have pledged to absorb all costs associated with the creation and transition.

• The new university will be eligible to participate in the Permanent University Fund (PUF). Adding a new university to the list of institutions currently eligible for PUF should have no impact on funding available for the Texas A&M University System and minimal impact on existing UT institutions. Merging UT Brownsville and UT Pan American will also free up more revenue for schools that benefit from the Higher Education Assistance Fund (HEAF). The new university will not be eligible for HEAF funding.

• With the new school of medicine, UT plans to graduate approximately 150 medical residents per year and place them in hospitals in Brownsville, Edinburg, Harlingen, and McAllen. This is important because, currently, in the 12 counties that make up the Rio Grande Valley, there are only 124 doctors for every 100,000 residents.

We are pleased to endorse the creation of a new University of Texas institution in South Texas.

Sincerely,

Michael W. Rollins, CCE
President
CC:
Chancellor Cigarroa

The Honorable David Dewhurst
Lieutenant Governor of Texas

The Honorable Joe Straus
Speaker of the House

The Honorable Kel Seliger
Texas State Senate
Chair, Senate Committee on Higher Education

The Honorable Dan Branch
Texas House of Representatives
Chair, Higher Education Committee