

SUBJECT: Creating a Texas High Technology Partnership Center

COMMITTEE: Economic Development — favorable, with amendment

VOTE: 9 ayes — Oliveira, Yarbrough, Greenberg, Keffer, Luna, Raymond,
Seaman, Siebert, Van de Putte

0 nays

SENATE VOTE: On final passage, April 10 — 30-1 (Ogden)

WITNESSES: For — Dan G. Davis, Houston Advanced Research Center

Against — None

DIGEST: SB 1518 would create the Texas High Technology Partnership to promote public/private partnerships to develop or disseminate high technology products or concepts originating in Texas. The partnership would be located at the Houston Advance Research Center, a research consortium that would include as founding member institutions the University of Texas at Austin, Texas A&M University, Rice University, and the University of Houston. The board of directors of the center would oversee the partnership.

If the governor appointed an advisory committee on science and technology, the committee could also serve as an advisory committee to the board of directors of the center.

The partnership could receive funding from the state and federal governments and through gifts, pledges and endorsements. The board would manage and approve all disbursements of funds, including granting funds for public/private partnerships and awarding matching funds.

In granting awards to public/private partnerships, the board would have to consider whether the members of the partnership were Texas residents and whether the partnership promoted the use of a high technology item developed at a Texas institution of higher education. The primary factor the board would have to consider would be whether the grant would be likely to

produce the maximum return to any public entity participating in the partnership.

The partnership would have to annually provide each board member with an audited financial statement and a status report of each project it had undertaken.

SB 1518 would take immediate effect if finally approved by a two-thirds record vote of the membership in each house.

SUPPORTERS SAY: SB 1518 would allow state universities and private companies to combine their resources and expertise to bring innovative high technology products to market. The bill would help public universities realize a financial return on their research and would promote the development of new high technology businesses in Texas, which, in turn, would create new jobs for Texans.

OPPONENTS SAY: SB 1518 would allow private companies to reap the benefits of research conducted at public universities. Rather than providing private companies with a low cost source of research, the state should support existing university technology transfer programs. These programs bring new technology to market without the assistance of private businesses.

NOTES: The committee amendment would add biomedical industries to those that would be considered high technology industries and require the board to consult with affiliated institutions in awarding grants or providing matching funds.