

Monthly Newsletter



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*Enhancing the
Quality of Life for
Rural Texas*

**Join us November 11 & 12, 2015 for the 2015
ARCIT Annual Conference at the Hyatt Lost Pines
in Bastrop, Texas!**

State Capitol Comings and Goings



Under the Senate...

State Senator Eltife (R-Tyler) will not be running for reelection. Rep. Bryan Hughes (HD 5) and Rep. David Simpson (HD 7) have announced they will run for Sen. Eltife's SD1 seat, as well as Carthage optometrist, Dennis Golden. Mr. Thomas Ratliff is also mentioned as considering the race. Senator Eltife served as Chair of Business & Commerce and has held a seat in the Texas Senate since 2004.

Senator Troy Fraser (R- SD24) also announced he will not be running for reelection in SD24. Currently, there are five candidates declared in this race. Concrete construction owner and real estate developer Jon Cobb (R-Bee Caves), former San Antonio SAWS Trustee Reed Williams, Ophthalmologist, ISD Trustee and Texas Sunset Advisory Commissioner, Dr. Dawn Buckingham (R-Lakeway), Radiologist Gary Brent Mayes (R-Fredericksburg), constitutional carry advocate CJ Grisham (R-Temple) and Rep. Susan King (R-Abilene). Sen. Fraser has served as Chair of Natural Resources and has held a seat in the Texas Senate since 1996.

Rumors are also floating about Senator Donna Campbell looking into a possible statewide run for Railroad Commissioner against the Chair David Porter. There is also buzz about two other Senators up for election possibly deciding not to seek reelection.

Over in the House...

Eight State Representatives [Aycock (R, HD54) Farias (D, HD118), Fletcher (R, HD130), Harless (R, HD126), Hughes (R, HD5), Keffer (R, HD60), Sylvester Turner (D, HD139) and Simpson (R, HD7)] will not be running for reelection.

Before the Legislature had even adjourned; five members had announced they would not be returning. However, Speaker Straus announced that not only would he run for his House seat, but also he would like another term on the dais.

SPECIAL ELECTION - HD 118: During the session, Rep. Joe Farias announced he would not seek reelection and resigned his seat on August 10th. His son, Gabe Farias - the President of West San Antonio Chamber of Commerce is running for his father's seat, as well as Tomas Uresti, brother of state Sen. Carlos Uresti and Tax Assessor-Collector Albert Uresti; and Anthony

Alcoser, a former trustee of Harlandale Independent School District. *The special election is November 3rd.*

OPEN SEATS IN THE HOUSE:

HD 5: Rep. Bryan Hughes (R-Mineola) has announced that he will be running for SD 1 leaving his seat open. Two individuals, Daingerfield insurance agent Shane Pennington and former Upshur County Commissioner Cole Hefner are considering replacing Hughes.

HD 7: Rep. Simpson has also announced he will be running for SD 1. Three-term Longview Mayor Jay Dean has announced he will run to replace Simpson.

HD 54: Education Committee Chairman, Rep. Jimmie Don Aycock will also not be returning. Fred Brown, currently Mayor Pro-Tem of Salado, is to be seriously considering running for the open seat. Other individuals considering the seat are Killeen veterinarian Brad Buckley and Killeen optometrist Austin Ruiz.

HD 60: Rep. Jim Keffer announced he would not seek further public office. Hood County Constable Mike Lang indicated that he would run against him.

HD 126: Rep. Patricia Harless has also announced that she will not be seeking reelection. Mr. Kevin Roberts (R-Houston), Chief Operating Office with the Roberts-Lanier law firm and Mr. Glenn Rex (R-Houston), a Republican Party precinct chair has announced candidacies for this seat.

HD 130: Rep. Allen Fletcher is not seeking reelection, but rather is running for Harris County Constable, Pct #4. The only declared candidate is Dr. Thomas Oliverson, an anesthesiologist from Cypress .

HD 139: One of the longest serving members, Rep. Sylvester Turner is leaving the House to run for Houston Mayor. Ms. Kimberly Yvette Willis, a social worker, has filed exploratory paperwork for this seat. However, other candidates being discussed include: Lonestar College Trustee Chair Randy Bates, Houston ISD Trustee Jarvis Johnson, Houston City Council Member Jerry Jones, Houston Board of Education President Rhonda Skillern Jones, and Locke Lord lobbyist Michael Harris.

There are many other rumors floating around of Representatives who are also considering retirement. It looks to be a very active upcoming election season and a large freshman class in both chambers next session. ARCIT will keep you updated on future coming and goings, as well as reelection announcements and contested races.

Would you like to help sponsor a meeting in your area? You can contact ARCIT Executive Director, Kara Mayer Mayfield at kara@arcit.org for more information. Together we are making a difference!

There are seven proposed Texas Constitutional Amendments on the November 3, 2015 ballot.

2015 Constitutional Amendments

Early voting runs Monday, October 19 – Friday, October 30

****Photo ID is no required to vote in person****

*****Remind Your Friends to Vote*****

What's on the ballot???

Proposition 1 • SJR 1

“The constitutional amendment increasing the amount of the residence homestead exemption from ad valorem taxation for public school purposes from \$15,000 to \$25,000, providing for a reduction of the limitation on the total amount of ad valorem taxes that may be imposed for those purposes on the homestead of an elderly or disabled person to reflect the increased exemption amount, authorizing the legislature to prohibit a political subdivision that has adopted an optional residence homestead exemption from ad valorem taxation from reducing the amount of or repealing the exemption, and prohibiting the enactment of a law that imposes a transfer tax on a transaction that conveys fee simple title to real property.”

Explanation: The proposed amendment would raise the amount of a homestead exemption from \$15,000 to \$25,000 on ad valorem, or property taxes for public school purposes beginning January 1, 2015. For a person 65 or older or a disabled person, the proposed amendment would also grant an additional \$10,000 exemption. The amendment would require the state to offset any school property tax revenue losses resulting from the additional homestead exemption amount. The Legislative Budget Board estimates this would be over \$1.2 billion for 2015-2016.

Arguments FOR:

- Cutting property taxes by increasing the homestead exemption would stimulate real economic growth and provide tax relief that voters have asked for and to those that need it most. Consumers would have more expendable income, in turn, allowing more money to be used more efficiently in the economy.
- Data from the comptroller’s office indicates that homestead exemptions particularly benefit low-income individuals because it exempts a higher percentage of the total value of a less expensive house.
- The amendment increases the state share of education funding.

Arguments AGAINST:

- Many taxpayers will see little reduction in property taxes since it is only a minor increase in the homestead exemption. Estimates show that an average homeowner will receive \$126 in annual saving. Taxpayers could also see little, if any, increase in tax saving if appraisals increase.
- The amendment would increase the state share of education funding but would not actually increase school funding.
- A sales tax reduction would be better for the Texas economy than an increase in the homestead exemption. The Legislative Budget Board estimates that over five years a sales tax cut could

create more than 42,000 jobs and spark \$5.2 billion more in GDP growth than an equivalent increase in the homestead exemption.

Proposition 2 • HJR 75

“The constitutional amendment authorizing the legislature to provide for an exemption from ad valorem taxation of all or part of the market value of the residence homestead of the surviving spouse of a 100 percent or totally disabled veteran who died before the law authorizing a residence homestead exemption for such a veteran took effect.”

Explanation: Proposition 2 in conjunction with its enabling legislation, Hb992, would amend the Texas Constitution, Art. 8, to extend the current homestead property tax exemption to include the surviving spouse of a totally disabled veteran who died on or before January 1, 2010, and who would have qualified for the full exemption on the homestead’s entire value if it had been available at that time. In 2011, voters approved a constitutional amendment to allow a surviving spouse of a 100 percent or totally disabled veteran an exemption from property taxation from all or part of the market value on the disabled veteran’s residence homestead, as long as the surviving spouse had not remarried. the amendment passed in 2011, however, did not apply to surviving spouses of veterans who died before January 1, 2010. Proposition 2 would extend the homestead exemption to include these spouses.

Arguments FOR:

- Would allow the Legislature to provide a valuable form of tax relief for families of deceased disabled veterans, and the fiscal impact on a single taxing district would be minimal.
- Current law unintentionally creates two classes of surviving spouses of totally disabled veterans; those who died before January 1, 2010, and those whose spouses dies on or after that date. This amendment would extend the homestead exemption to include those who are currently not receiving an exemption, thereby eliminating the two different classes of spouses.

Arguments AGAINST:

- The Legislative Budget Board estimates that school district, municipalities, counties, and other special districts such as hospitals would lose some tax revenue. The increase in property tax exemptions may require local governments to increase taxes for other taxpayers.
- School districts would receive less revenue from property taxes so the State would have to recover this amount from the General Revenue Fund, creating a cost to the State.

Proposition 3 • SJR 52

“The constitutional amendment repealing the requirement that state officers elected by voters statewide reside in the state capital.”

Explanation: When the Texas Constitution was initially adopted in 1876, Article 4, Section 23 required the comptroller of public accounts, commissioner of the General Land Office, the attorney general, and any statutory state officer who was elected statewide to reside at the capital during their terms of office. Proposition 3 would amend the constitution by removing the requirement.

Arguments FOR:

- The requirement mandating that specific elected state officers live in Austin during their terms made sense in 1876 when travel by buggy, wagon, or horseback created hardships. Today’s advances both in transportation and technology make this requirement obsolete. State office holders, wherever they live in the state, have a variety of travel modes available to them to get to Austin quickly, and if unable to get to Austin to conduct business, they can manage their duties wherever they reside by way of email, skype, or conference call.
- An elected officials’ choice of where to live and/or establish their residences should not be limited. considerations involving employment and school for an elected official’s spouse and children could make permanent residence in Austin difficult and costly.
- Some officials elected statewide who had previously represented a legislative district might not want to lose their local residency in case they later decide to seek an office that requires them to reside in a certain district.

Arguments AGAINST:

- This provision in the constitution has served Texans well. Those elected to guide large agencies like the comptroller's office, the land office, or the attorney general's office should be present at their respective agency headquarters in Austin on a daily basis.
- While technology has made it easier for workers to conduct business from home, such an arrangement is not appropriate for some officials who should be available to constituents, staff, and other state leaders at any time during the work day. Living away from Austin creates hardships on those who need to consult in person with the state officeholder.
- Being physically present in Austin ensures these officials are available to handle the important business of the state and not worry about when or how they can travel to Austin. It also means their staff members have better supervision.

Proposition 4 • HJR 73

“The constitutional amendment authorizing the legislature to permit professional sports team charitable foundations to conduct charitable raffles.”

Explanation: The Texas Constitution, Art. 3, Sec. 47 prohibits lotteries and gift enterprises, with a few exceptions. One exception is an amendment adopted in 1989 that permits charitable raffles conducted by a qualified religious society, a volunteer fire department, a volunteer emergency medical service or a non-profit organization. This provision requires that all proceeds from the sale of raffle tickets be spent for charitable purposes of the organization and that the charitable raffle be conducted and promoted exclusively by the members of the organization. This amendment proposes to include another exception and allow a professional sports team charitable foundation to conduct charitable raffles under the terms and conditions imposed by the law. The law could authorize the charitable foundation to pay reasonable advertising, promotional and administrative expenses with the charitable proceeds. These raffles could only be conducted at games hosted at the home venue of the professional sports team associated with the charitable foundation.

Arguments FOR:

- Proposition 4, along with its enabling legislation, HB 975, would increase philanthropic donations by allowing charitable foundations of Texas professional sports teams to hold charitable raffles and use proceeds to pay for reasonable operating expenses.
- The Proposition and its enabling legislation would permit charitable raffles for cash prizes at home games. Twenty-five states have laws that allow sports teams to hold charitable raffles and allow a type of raffle called a 50/50 raffle, in which half the proceeds go to charity and the other half is paid to the winner. Proposition 4 would make these types of charitable raffles possible by authorizing the Legislature to enact laws allowing them.
- This proposition would not create new forms of gambling; it would only authorize the legislature to craft laws governing how professional sports team charitable foundations may conduct raffles, including using raffle proceeds to pay for reasonable operating expenses.

Arguments AGAINST:

- Proposition 4 would increase the number of exceptions to the constitutional prohibition against lotteries and gift enterprises. It would be the first time in 24 years that the Texas constitution was amended for gambling purposes, and only the fourth time since its adoption.
- This proposition could lead to forms of gambling more serious than charitable raffles. With every amendment to the constitution, new ways are found to push the limits of what is allowed under the law it authorizes. opening the constitution to even more interpretation and flexibility could allow the enactment of future legislation that was never intended by the proposal, such as electronic raffles at bingo halls and race tracks.

- Proposition 4 differs from the amendment adopted in 1989 in that it does not specify that all proceeds from the sale of raffle tickets be spent for charitable purposes and allows for proceeds to be used for operating expenses. This could lead to a misappropriation of funds and ultimately, less funds being earmarked for charitable foundations and causes.

Proposition 5 • SJR 17

“The constitutional amendment to authorize counties with a population of 7,500 or less to perform private road construction and maintenance.”

Explanation: An amendment to the Texas constitution was adopted in 1980, giving rural counties with less than 5,000 inhabitants the right to construct and maintain private roads if the county imposes a reasonable charge for the work. Proposition 5 would amend Texas constitution, Art. 3, Sec. 52f, to increase the statutory population cap to 7,500. It would update the constitution to reflect the population growth in Texas counties over the past 35 years and include an additional 21 counties.

Arguments FOR:

- Small counties rely on this provision to maintain roads, make them passable and improve mobility. In small counties there are rarely private contractors available, so private roads are often poorly maintained, creating safety hazards for citizens and emergency services.
- The population cap was enacted to prevent all counties in the state from competing with private industry; in the counties covered by Proposition 5, however, there is very little if any competition from private industries.
- Private landowners would have more flexibility to update poorly maintained roads. They would still be able to hire a private company instead of the county if they chose to do so.
- Revenue received from private road work may be used only for the construction, including right-of- way acquisition, or maintenance of public roads.

Arguments AGAINST:

- Private landowners must pay for the improvements.
- Improved road surfaces increase traffic usage, commercial interest, and vehicle speed traveling the road.
- Improved property increases the taxable value of the property.
- instead of increasing the maximum population, the population limit should be eliminated. All counties in the state should have the option to construct and maintain their roads as long as private land owners agree and pay the county for the cost of the work.

Proposition 6 • SJR 22

“The constitutional amendment recognizing the right of the people to hunt, fish, and harvest wildlife subject to laws that promote wildlife conservation.”

Explanation: Proposition 6 would change Article 1 of the Texas constitution by adding the right to hunt, fish, and harvest wildlife using traditional methods. The proposed amendment maintains that this right is subject to regulations that conserve and manage wildlife. The proposed amendment is not intended to affect existing laws relating to trespass, property rights, eminent domain, and municipalities’ right to prevent hunters from using their guns to hunt in populated areas. Proposition 6 would also change the constitution by endorsing hunting and fishing as the preferred method for managing and controlling fish and wildlife populations.

Arguments FOR:

- Hunting and fishing are very popular sports in Texas, and many Texans feel the need to protect their right to hunt and fish. Proposition 6 would ensure that no laws could be made to take away that right without another amendment proposed by the legislature and voted on by Texans.
- Revenue from hunting and fishing helps support rural communities and ranch and farm families.
- Licenses for hunting and fishing provide revenue for wildlife conservation projects by the Texas Parks and Wildlife Department.
- One method of controlling the over population of wildlife such as deer and geese is through hunting.

Arguments AGAINST:

- The right to hunt and fish does not need to be in the Texas constitution. Hunting and fishing are already protected by laws in place today that are regulated by the Texas Parks and wildlife code, Ch. 1, which provides that the fish and wildlife of Texas are held in trust by the state for the benefit of all Texans.
- Hunting and fishing is one wildlife management technique used for specific species, but should not be in the Texas constitution as the “preferred” method as other methods might be more appropriate in certain situations.
- There are many types of wildlife other than those that are hunted, including endangered species. although Proposition 6 is subject to laws that promote conservation, there could be misinterpretation, further endangering these species.
- Traditional methods are not defined so there is concern that traditional may include methods of hunting that many Texans find cruel such as snares or leg/foot traps.

Proposition 7 • SJR 5

“The constitutional amendment dedicating certain sales and use tax revenue and motor vehicle sales, use, and rental tax revenue to the state highway fund to provide funding for non-tolled roads and the reduction of certain transportation-related debt.”

Explanation: This amendment would dedicate a portion of the revenue derived from the state sales and use tax and the tax imposed on the sale, use, or rental of a motor vehicle to the State Highway Fund. Under current law, these funds are deposited to the General Revenue Fund. This would dedicate \$2.5 billion of revenue from the sales and use tax annually to the State Highway Fund starting on September 1, 2017. This allocation would expire on September 1, 2032. Beginning September 1, 2019, 35 percent of revenue from the sales and use tax on motor vehicles exceeding \$5 billion would be dedicated to the State Highway Fund annually. The new revenue for the State Highway Fund would be used only to construct, maintain or acquire rights-of-way for public roadways, but not toll roadways, or to make payments on general obligation bonds issued by the Texas Transportation Commission. The Texas Legislature would be allowed to reduce the amount of sales and use tax revenue allocated to the state Highway Fund if two-thirds of legislators agree to do so. The legislature would also be permitted to extend these revenue allocations beyond their expiration dates for 10-year periods if a simple majority of legislators agree to do so.

Arguments FOR:

- The population of Texas is growing rapidly, at almost 1,000 new Texans per day, which is good for the economy. All these people, however, need safe roads, highways and bridges to drive. Investment in the Texas transportation system is vital to sustaining our quality of life and continuing the state’s strong economic position.
- The proposed amendment is necessary to fund transportation infrastructure in Texas. Proposition 7 would present a politically viable means to secure a portion of the funding Texas needs to maintain roadway congestion at current levels, given population and economic growth.
- Texas voters passed Proposition 1 in November 2014, which was a critical first step in providing funding for the transportation infrastructure in Texas, but it did not provide for all our transportation needs. Proposition 7 is a sustainable funding solution to our highway infrastructure needs that does not increase taxes and dedicates existing tax revenue toward transportation projects.

Arguments AGAINST:

- If passed, this would be the largest single increase in transportation funding in Texas history. It is the second time in two years that Texan voters have been asked to divert existing revenue to the state Highway Fund. Proposition 7 does not provide a new source of funding; it is just taking funds and renaming them, and it ties the hands of future lawmakers.

- The shift of sales tax money to roads rather than to the General Revenue Fund will mean less money in the budget for other necessary items. The two-year impact for 2019 would be \$5 billion; a \$5 billion decrease in public and higher education funding or investment in the general government, for example, is very significant.
- Most of the new money could not be used on projects that include toll roads. This means it cannot be used for the proposed rebuilding of the third and final phase of the Dallas LBJ East Freeway Project as a hybrid part-free, part-tolled road. urban mega-projects like the LBJ East Freeway may face needless delays because of the limits imposed on funding.

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