## lexas Constitutional Amendments 2023



## SELF-GOVERNANCE

## Texas Constitutional Amendments 2023

Wording, Explanation, and Analysis

(Listed In The Order That They Will Appear On The Ballot)



**TEXAS** 

Bill Number: HJR 126

Taxpayer Cost:

Ballot Wording

> "The constitutional amendment protecting the right to engage in farming, ranching, timber production, horticulture, and wildlife management."

## Explanatory Statement (1)

under the lexas Constitution authorize the use or acquisition of property for a public use, including the development of natural resources lexas Constitution. Additionally, the proposed amendment would not affect the legislature's authority to (3) a state agency or political subdivision to preserve or conserve the natural resources of the state under the safety from imminent danger; (2) a state agency to prevent a danger to animal health or crop production; or of these practices by: (1) a state agency or political subdivision as necessary to protect the public health and or leases. The proposed amendment would not affect the authority of the legislature to authorize the regulation ranch, timber production, horticulture, or wildlife management practices on real property that the person owns HJR 126 proposes a constitutional amendment to protect a person's right to engage in generally accepted farm

### Background (2)

normal practices of agricultural operations on property they own or lease. regulation. The proposed amendment provides constitutional protection to farmers and ranchers engaged in Farmland and ranch land in this state is being impacted by the growth of urban areas and increasing municipa

Legislative Authorship/Sponsorship (2)

Senate Sponsor: Charles Perry (R-28)

House Author: DeWayne Burns (R-58)

authorizing use of the power of eminent domain. of the state, as provided by Section 59, Article XVI, Texas Constitution. The proposed amendment also provides state agency or political subdivision to regulate those 2 practices to preserve or conserve the natural resources that the new right to engage in these activities does not affect the legislature's authority to enact laws circumstances. First, the legislature may authorize a state agency or political subdivision to regulate those wildlife management practices on land they own or lease. The proposed amendment maintains the legislature's those practices to prevent a danger to animal health or crop production. Third, the legislature may authorize a public health and safety from imminent danger. Second, the legislature may authorize a state agency to regulate practices when there is clear and convincing evidence that the law or regulation is necessary to protect the authority to enact laws authorizing the regulation of generally accepted agriculture practices under three protect the people's right to engage in generally accepted farm, ranch, timber production, horticulture, or H.J.R. 126 amends the Bill of Rights to the Texas Constitution (Article I) by adding Section 36, which would

### Positions (3)

**FAVOR:** Texas Cattle Feeders Association, Texas Farm Bureau (AGFUND), Texas Forestry Association, Texas Landowners Council, Texas Poultry Federation, Texas Seed Trade Association, and Texas Wildlife **NEUTRAL:** True Texas Project **OPPOSE:** The Farm and Ranch Freedom Alliance and the Humane Society Texas Sheep and Goat Raisers Association, Travis County Farm Bureau, Texans For Fiscal Responsibility Agriculture Sid Miller, South Texans Property Rights Association, Texas Nursery & Landscape Association, Burrows (R-83), Mary Gonzalez (D-75), Trent Ashby (R-9), and Diego Bernal (D-123), Texas Commissioner of Association registered in support of the amendment. State Reps. DeWayne Burns (R-58), Dustin



A "NO" vote opposes establishing a right to farming, ranching, timber production, horticulture, and wildlife management in the Texas Constitution. A "YES" vote supports establishing a right to farming, ranching, timber production, horticulture, and wildlife management in the Texas Constitution

Bill Number: SJR 64

Taxpayer Cost: ŞTBD

Ballot Wording

> "The constitutional amendment authorizing a local option exemption from ad valorem taxation by a county or municipality of all or part of the appraised value of real property used to operate a child-care facility."

## Explanatory Statement (1

to establish additional eligibility requirements to receive the property tax exemption property. The proposed amendment also would allow the legislature to define the term "child-care facility" and appraised value of the property, but that percentage could not be less than 50% of the appraised value of the from property taxation all or part of the appraised value of real property used to operate a child-care facility. SJR 64 proposes a constitutional amendment to allow the governing body of a county or municipality to exempt The proposed amendment would authorize the governing body to adopt the exemption as a percentage of the

### Analysis (2)

property, provided that the percentage adopted by the governing body is not less than 50 percent. The body of the county or municipality to adopt the exemption as a percentage of the appraised value of the appraised value of real property used to operate a child-care facility. The resolution authorizes the governing S.J.R. 64, 88th Legislature, Regular Session, 2023, proposes to add Section 1-r to Article VIII, Texas Constitution, exemption and to prescribe eligibility requirements for the exemption to authorize the governing body of a county or municipality to exempt from ad valorem taxation all or part of the resolution further authorizes the legislature by general law to define "child-care facility" for purposes of the

exempt any property from ad valorem taxation without constitutional authority invalid. Neither the legislature nor a local government that imposes ad valorem taxes may permitted by the constitution. Any exception to that rule that is not authorized by the Texas Constitution is tangible personal property be taxed in proportion to its value unless the property is exempt as required or Section 1, Article VIII, Texas Constitution, requires that taxation be equal and uniform, and that all real and

### Positions (3)

**OPPOSE**: Texans For Fiscal Responsibility, True Texas Project **NEUTRAL**: FAVOR: Methodist Healthcare Ministries, Texas Resaurant Association, State Sen. Royce West (D-23)

## Legislative Authorship/Sponsorship (2)

Senate Author: Royce West (D-23)

House Sponsor: James Talarico (D-50)



value of real property used to operate childcare facilities A "YES" vote <u>supports</u> amending the state constitution to allow counties or municipalities to authorize a property tax exemption from advalorem taxation on all or part of the appraised

A "NO" vote opposes this constitutional amendment to authorize local property tax exemptions from ad valorem taxation on properties used to operate childcare facilities

Bill Number: HJR 132

Taxpayer Cost: ŞTBD

Ballot Wording

> "The constitutional amendment prohibiting the imposition of an individual wealth or net worth tax, including a tax on the difference between the assets and liabilities of an individual or family."

## Explanatory Statement (1)

from imposing a tax based on the difference between the assets and liabilities of an individual or family. wealth or net worth of an individual or family. The proposed amendment also would prohibit the legislature HJR 132 proposes a constitutional amendment to prohibit the legislature from imposing a tax based on the

### Analysis (2)

assets and liabilities of an individual or family. H.J.R. 132 amends Article VIII, Texas Constitution, by adding Section 25, which would prohibit the imposition of a tax on the wealth or net worth of individuals or families, including a tax based on the difference between the

### Background (2)

prohibited by the lexas Constitution as a property tax on an individual's stock holdings or bank accounts, is not strictly because Section 1, Article VIII, Texas Constitution, requires or authorizes, under certain circumstances, the taxation of both tangible and intangible property, a tax on an individual's or family's wealth or net worth, such Texas does not currently impose a state tax on the wealth or net worth of an individual or family. However

Legislative Authorship/Sponsorship (2)

House Author: Cole Hefner (R-5

Senate Sponsor: Bryan Hughes (R-1)

### Positions (3)

FAVOR: State Rep. Cole Hefner (R-5), All Republican legislators voted in favor of the amendment. True

Texas Project, Texans For Fiscal Responsibility

OPPOSE: Every Texan, Texas American Federation of Teachers

NEUTRAL:





## <u> [exas Constitutional Amendment – Proposition 4</u>

Bill Number: HJR 2

\$12B (from budget surplus) Taxpayer Cost:

**Ballot** Wording

than a residence homestead for ad valorem tax purposes; to increase the amount of the exemption from ad valorem taxation by a school district "The constitutional amendment to authorize the legislature to establish a temporary limit on the maximum appraised value of real property other appropriations to pay for ad valorem tax relief from the constitutional limitation on the rate of growth of appropriations; and to authorize the applicable to residence homesteads from \$40,000 to \$100,000; to adjust the amount of the limitation on school district ad valorem taxes imposed on the residence homesteads of the elderly or disabled to reflect increases in certain exemption amounts; to except certain legislature to provide for a four-year term of office for a member of the board of directors of certain appraisal districts."

## Explanatory Statement (1)

to provide that members serving on an appraisal board in a county with a population of at least 15,000 serve terms not to exceed a biennium has exceeded the constitutional tax spending limit. The proposed amendment would further authorize the legislature for property tax relief from being considered as appropriations when determining whether the rate of growth of appropriations in elderly or disabled. Additionally, the amendment would exempt appropriations not dedicated by the Texas Constitution and used for a reduction in the amount of the limitation on school district property taxes imposed on the residence homestead of the school district property taxation from \$40,000 to \$100,000. The proposed amendment would require the legislature to provide property tax purposes in a tax year. The proposed amendment also would increase the mandatory homestead exemption for proposed amendment would authorize the legislature to temporarily limit the maximum appraised value of real property for HJR 2 proposes a constitutional amendment to modify certain provisions of the Texas Constitution related to property taxes. The

H.J.R. 2, 88th Legislature, 2nd Called Session, 2023, proposes several amendments to the Texas Constitution proposed by H.J.R.2 are necessary to allow the legislature to make the changes in law proposed by S.B. 2. Called Session, 2023, the Property Tax Relief Act, is the enabling legislation for H.J.R. 2. The amendments relating to ad valorem taxes and the administration of the ad valorem tax system. S.B. 2, 88th Legislature, 2nd

Legislative Authorship/Sponsorship (2)

House Author: Will Metcalf (R-16)

Senate Sponsor: Paul Bettencourt (R-7)

## Analysis (2)

- Act, is the enabling legislation for the proposed amendments. H.J.R. 2, 88th Legislature, 2nd Called Session, 2023, proposes several amendments to the Texas Constitution relating to ad valorem taxes and the administration of the advalorem tax system. S.B. 2, 88th Legislature, 2<sup>nd</sup> Called Session, 2023, the Property Tax Relief
- voters, S.B. 2 implements this appraisal limit so that the appraised value of real property does not increase by more than 20 percent a greater percentage, of the appraised value of the property for the preceding tax year. If the proposed amendment is approved by the of real property other than a residence homestead in a tax year of the lesser of the market value of the property or 120 percent, or a year for the next three years. The proposed constitutional amendment authorizes the legislature to establish a temporary limit on the maximum appraised value
- taxation for public school purposes from \$40,000 to \$100,000. 2. The proposed amendment increases the portion of the market value of a residence homestead that is exempt from ad valorem
- school district residence homestead exemptions, including the increase to \$100,000 described above and any future increases may be imposed for public school purposes on the homestead of an elderly or disabled person to reflect increases in the amount of 3. The proposed amendment provides for a reduction of the limitation, or "tax freeze," on the total amount of ad valorem taxes that
- to decrease school tax rates as directed by S.B. 2. district taxes from the general state spending cap on appropriations and applies to the amounts appropriated by the 88th Legislature constitutional limit on the rate of growth of appropriations. This change has the effect of exempting state payments to reduce school 4. The proposed amendment excepts appropriations of state tax revenue for purposes of paying for ad valorem tax relief from the
- 5. Finally, the proposed amendment authorizes the legislature to provide for four-year terms for members of the governing body of an appointed appraisal district board members in counties with a population of 75,000 or more if this amendment is approved, increases the terms of board members in those populous counties to four years. appraisal district established for a county with a population of 75,000 or more. S.B. 2, which provides for a combination of elected and

### Positions (3)

Independent Business-Texas, Texas Association of Builders, Texas Realtors, True Texas Project, Texans For Fiscal Responsibility OPPOSE: FAVOR: Gov. Greg Abbott, Lt. Gov. Dan Patrick, State Rep. Will Metcalf (R-16), State Rep. Dade Phelan (R-21), National Federation of



A "YES" vote supports amending the Texas Constitution to allow code changes to increase the residential homestead exemption to \$100,000 and provide evaluation compression to temporarily lower property taxes

A "NO" vote opposes amending the Texas Constitution to allow code changes to increase the residential homestead exemption to \$100,000 and provide evaluation compression to temporarily lower property taxes



Bill Number: HJR 3

Taxpayer Cost: \$273 M

Ballot Wording

institutions of higher education to achieve national prominence as major research universities and drive the "The constitutional amendment relating to the Texas University Fund, which provides funding to certain state economy."

## B

## Explanatory Statement (1)

HJR 3 proposes a constitutional amendment to redesignate the national research university fund as the Texas University Fund (TUF), and to appropriate funds from the economic stabilization fund to the TUF. The proposed amendment would appropriate to the TUF an amount equal to the interest income, dividends, and investment earnings attributable to the economic stabilization fund for the preceding state fiscal year. The appropriation amount could not exceed \$100 million for the state fiscal year beginning September 1, 2023, or an amount adjusted for the increase in the general price index, not to exceed two percent, in subsequent state fiscal years. The proposed amendment also would prohibit any state university that is entitled to participate in dedicated funding provided by Article VIII, Section 18 of the Texas Constitution from receiving money from the TUF.

### Background (2)

Section 20, Article VII, Texas Constitution, established the national research university fund in 2009 to provide a dedicated, independent, and equitable source of funding to enable emerging research universities in this state to achieve national prominence as major research universities. The section provides that the legislature by general law may establish the criteria by which a state university becomes eligible to receive money from the fund and that a state university that becomes eligible to receive money from the fund in a state fiscal biennium remains eligible to receive money from the fund in a state fiscal biennium remains eligible to receive money from the fund in any subsequent state fiscal biennium. The University of Texas at Austin and Texas A&M University, however, are not eligible to receive money from the fund.

Section 22, Article VIII, Texas Constitution, often referred to as the constitutional spending limit, provides that the rate of growth of appropriations from state tax revenues not dedicated by the Texas Constitution for a state fiscal biennium may not exceed the estimated rate of growth of the state's economy for that biennium. The section authorizes the legislature to provide for appropriations in excess of that limit by a resolution approved by a majority vote of each house finding that an emergency exists and identifying the nature of the emergency

### Analysis (2)

attributable to the state's economic stabilization fund ("rainy day fund"), not to exceed \$100 million per state of revenue for the Texas University Fund from the interest income, dividends, and investment earnings fiscal year, as adjusted for inflation up to two percent per state fiscal year after the 2024 state fiscal year limits the rate of growth of appropriations. The proposed amendment further provides for a dedicated source and state tax revenues appropriated to the fund from the constitutional state spending cap, which generally University Fund from eligibility to receive money from the Texas University Fund, and exempt money in the fund the national research university fund, which is used to support emerging research universities in Texas, as the H.J.R. 3, 88th Legislature, Regular Session, 2023, proposes an amendment to the Texas Constitution to rename Texas University Fund. The amendment would exclude state universities that are supported by the Permanent

### Positions (3)

OPPOSE: Texans For Fiscal Responsibility, True Texas Project Teaching Hospitals of Texas, Texas Association of Business, Texas Business Leadership Counci FAVOR: Greater Houston Parnership, Greater Austin chamber of Commerce, North Texas Commission,

Legislative Authorship/Sponsorship (2)

House Author: Greg Bonnen(R-24)

Senate Sponsor: Joan Huffman (R-17)

the state's "rainy day" fund to the university fund to support research activities at state universities. A "YES" vote supports renaming the National Research University Fund to the Texas University Fund and allocating annually the interest income, dividends, and investment earnings from

A "NO" vote opposes renaming the National Research University Fund to the Texas University Fund and establishing an ongoing revenue source for the fund

Bill Number: SJR 75

Taxpayer Cost:

**Ballot** 

"The constitutional amendment creating the Texas water fund to assist in financing water projects in this

### Wording

## Explanatory Statement(1)

New Water Supply for Texas Fund to the fund; (3) investment earnings and interest earned on amounts credited to the fund; (4) money from gifts, grants, and the fund only to transfer money to other TWDB funds or accounts. The proposed amendment would authorize the legislature to amendment also would require that at least 25% of the money initially appropriated to the Texas water fund be transferred to the legislature, by general law, to provide for the manner in which money from the Texas water fund may be used. The proposed donations to the fund; and (5) money returned from any authorized transfer. The proposed amendment would require the money transferred or deposited to the fund by general law; (2) other revenue that the legislature by statute dedicates for deposit money to or the restoration of money from certain designated LWDB funds and accounts. The water fund would consist of (1)be required for the water fund administrator to transfer money from or restore money to the fund, including the transfer of appropriate money for deposit to the water fund to be available for permitted transfers. No further legislative appropriation would assist in financing water projects in the state. The proposed amendment would direct the Texas water fund administrator to use state treasury outside the general revenue fund, administered by the Texas Water Development Board (TWDB) or its successor to SJR 75 proposes a constitutional amendment to create the Texas water fund. The Texas water fund would be a special fund in the

undertake projects necessary to secure new water supply sources and repair existing water infrastructure Existing funding mechanisms for water projects do not provide sufficient flex ibility to allow the Texas Water Development Board to Aging water infrastructure causes significant water loss and often compromises the quality of water delivered to customers. Persistent drought and continued population growth across Texas have overburdened and even depleted existing water sources

### Analysis (2)

appropriation from the state spending limit. S.J.R. 75 proposes an amendment to the Texas Constitution to create the Texas water fund as a special fund against the constitutional limit on the rate of growth of appropriations, which has the effect of excluding the appropriation of state tax revenues for the purpose of depositing money to the credit of the fund does not count investments of the Texas water fund to be paid from that fund. Finally, the resolution provides that an transfer to the New Water Supply for Texas Fund. The resolution a uthorizes the expenses of managing the resolution provides that not less than 25 percent of the initial appropriation to the fund must be used for provided by general law, or may be restored to the Texas water fund without further appropriation. The The resolution also provides that money transferred from the fund to another fund or account may be spent as fund only to transfer money to other funds or accounts administered by the board or its successor in function. Board or that board's successor in function. The resolution authorizes the administrator of the fund to use the in the state treasury outside the general revenue fund to be administered by the Texas Water Development

### Positions (3)

Water Infrastructure Network, Texas Water Supply Partners, Water Environment Association of Texas TXOGA PAC, Texas Rural Water Association, Texas Water Conservation Association, Texas Water Development Board, Texas **FAVOR:** ExxonMobil, Occidental Petroleum, San Antonio Water Systems, Texas Association of Builders, Texas Association of Business, Texas Desalination Association, Texas Farm Bureau (AGFUND), Texas Municipal League, Texas Oil & Gas Association –

**OPPOSE**: True Texas Project **NEUTRAL:** Texans For Fiscal Responsibility

Legislative Authorship/Sponsorship (2)

Senate Author: Charles Perry (R-28)

House Sponsor: Tracy O. King (D-80)





Bill Number: SJR 93

Taxpayer Cost: \$5 B

Ballot Wording

> "The constitutional amendment providing for the creation of the Texas energy fund to support the construction, maintenance, modernization, and operation of electric generating facilities."

Lxplanatory Statement(1)

§IR 93 proposes a constitutional amendment to establish the Texas energy fund. The Texas energy fund would be a special fund in the state treasury outside the general revenue fund, administered by the Public Utility Commission of Texas (PUC) or its successor. Money in the Texas energy fund could be used, without further appropriation, only by PUC or its successor to provide loans and grants to finance or incentivize the construction, maintenance, modernization, and operation of electric generating facilities necessary to ensure the reliability or adequacy of an electric power grid in the state. The proposed amendment would require PUC to allocate money from the fund for loans and grants to eligible projects for exertic generating facilities that serve as backup power sources and in each region of the state that is part of an electric power grid in proportion to that region's load share. The Texas energy fund would consist of. (1) money credited, appropriated, or transferred to the fund by or as authorized by the legislature (2) revenue that the legislature dedicates for deposit to the fund; (3) the returns received from the investment of the money in the fund; and (4) gifts, grants, and donations contributed to the fund.

### Background /2

The constitutional amendment proposed by S.J.R. 93, 88th Legislature, Regular Session, 2023, would create the Texas energy fund and authorize the Public Utility Commission of Texas to administer and use the fund as provided by general law, without further appropriation, to provide loans and grants to any entity to finance or incentivize the construction, maintenance, modernization, and operation of electric generating facilities, including associated infrastructure, necessary to ensure the reliability or adequacy of an electric power grid in Texas

### Analysis (2)

grants from the fund. modernization, and operation of electric generating facilities. If this amendment is approved by the voters, the Constitution, to provide for the creation of the Texas energy fund to support the construction, maintenance, S.J.R. 93, 88th Legislature, Regular Session, 2023, proposes the addition of Section 49-q to Article III, Texas legislature has provided initial funding of \$5 billion and enacted enabling legislation to begin providing loans and

### Positions (3)

Fiscal Responsibility, True Texas Project of Manufacturers, Texas Oil and Gas Association, Texas Pipeline Association, Valero energy Corporation PAC, OPPOSE: Oneok, Inc., Environment Texas, Texas Advanced Energy Business Alliance, Texas Consumer Association, Texans For FAVOR: ConocoPhillips Alaska, Koch Companies, BASF Corporation Employees PAC, North Texas Commission, Texas Association

## Legislative Authorship/Sponsorship (2)

Senate Author: Charles Schwertner (R-5)
House Sponsor: Todd Hunter (R-32)





Bill Number: HJR 125

Taxpayer Cost: \$1.5 B

Ballot Wording

> "The constitutional amendment creating the broadband infrastructure fund to expand high-speed broadband access and assist in the financing of connectivity projects."

## Explanatory Statement (1)

HJR 125 proposes a constitutional amendment to create the broadband infrastructure fund. The broadband infrastructure fund would be a special fund in the state treasury outside the general revenue fund administered by the Texas Comptroller of Public Accounts (Comptroller). Money from the fund could be used, without further appropriation, only for the expansion of access to and adoption of broadband and telecommunications services. The broadband infrastructure fund would consist of; (1) money transferred or deposited to the fund by the Texas Constitution, general law, or the General Appropriations Act, (2) revenue that the legislature by general law dedicates for deposit to the fund; (3) investment earnings and interest earned on money in the fund; and (4) giffs, grants, and donations to the fund. The proposed amendment would authorize the Comptroller to transfer money from the broadband infrastructure fund to another fund as provided by general law, and the state agency that administers the fund to which any money is transferred could use the money without further appropriation only for the expansion of access to and adoption of broadband and telecommunications services. The broadband infrastructure fund would expire on September 1, 2035, unless extended by adoption of a joint resolution of the legislature. Immediately before the expiration of the fund, the Comptroller would be required to transfer any unexpended and unobligated balance remaining in the broadband infrastructure fund to the general revenue fund.

### Background 27

The constitutional amendment proposed by H.J.R. 125 creates the broadband infrastructure fund as a special fund in the state treasury outside the general revenue fund and authorizes the comptroller of public accounts to administer the fund. The fund consists of money transferred or deposited to the credit of the fund by the constitution, general law, or the General Appropriations Art, revenue dedicated by general law for deposit to the credit of the fund, investment earnings and interest earned on money in the fund, and gifts, grants, and donations to the fund.

### Analysis (2)

of the proposed amendment. the legislature. The legislature has appropriated \$1.5 billion to the proposed fund contingent on voter approval The proposed amendment takes effect January 1, 2024, and expires on September 1, 2035, unless extended for infrastructure fund for the expansion of access to and adoption of broadband and telecommunications services. H.J.R. 125 proposes the addition of Section 49-d-16, Article III, Texas Constitution, to create the broadband 10 years by a concurrent resolution approved by a record vote of two-thirds of the members of each house of

### Positions (3)

OPPOSE: Texas For Liberty, True Texas Project, Texans For Fiscal Responsibility **FAVOR:** AARP Texas, AT&T Inc. Federal PAC, Comcast Corporation & NBC Universal PAC - Federal, Conference of Urban Counties, T-Mobile US, Inc. PAC (T-PAC), Texas Association of Realtors, Texas Broadband Now, Texas Cable Association, Texas Farm Bureau (AGFUND), Verizon Communications, Inc. PAC (Verizon PAC)

## Legislative Authorship/Sponsorship (2)

House Author: Trent Ashby (R-9)
Senate Sponsor: Joan Huffman (R-17)

interest

- A "YES" vote supports amending the state constitution to create the broadband infrastructure fund to finance broadband and telecommunications projects
- A "NO" vote opposes amending the state constitution to create the broadband infrastructure fund to finance broadband and telecommunications projects

Bill Number: HJR 2

Taxpayer Cost: \$3.4 B

**Ballot** Wording

> "The constitutional amendment authorizing the 88th Legislature to provide a cost-of-living adjustment to certain annuitants of the Teacher Retirement System of Texas."

## Explanatory Statement (1)

Public Accounts to pay the cost-of-living adjustment authorize the legislature to appropriate money from the general revenue fund to the Texas Comptroller of to eligible annuitants of the Teacher Retirement System of Texas (TRS). The proposed amendment also would HJR 2 proposes a constitutional amendment to authorize the legislature to provide a cost-of- living adjustment

growth of the state's economy appropriations from state tax revenues not dedicated by the Texas Constitution for a state fiscal biennium to the estimated rate of spending limit imposed by Section 22, Article VIII, Texas Constitution. Section 22, Article VIII, limits the rate of growth of 50 principles." If the legislature seeks to fund an increase in benefits using an appropriation of state revenues, depending on the benefits, Section 6I(a), Article XVI, Texas Constitution, requires that the "[f]inancing of benefits ... be based on sound actuarial revenues, or some combination of those methods of funding. Regardless of the method of funding used to provide an increase in provide benefits is the authority to change benefits, which the legislature has done on multiple occasions since the creation of the employed in the public schools, colleges, and universities supported wholly or partly by the state." Included in the authority to specifically requires the legislature to establish the Teacher Retirement System of Texas (TRS) "to provide benefits for persons retirement and related disability benefits for public employees and officers. Section 67(b)(1), Article XVI, Texas Constitution, Section 67, Article XVI, Texas Constitution, authorizes the legislature to enact general laws establishing systems of programs of amount or method of appropriation, the Texas Constitution may impose other limitations on the appropriation, including the TRS. Historically, an increase in benefits provided under the TRS was funded from the system's trust fund, an appropriation of state

### Analysis (2)

voter approval of the proposed amendment. adjustment. The legislature has appropriated \$3.355 billion to fund the cost-of-living adjustment contingent on annuitants of the Teacher Retirement System of Texas and (2) appropriate state money to pay for the that authorizes the current 88th Legislature to (1) provide by general law a cost-of-living adjustment to certain H.J.R. 2, 88th Legislature, Regular Session, 2023, proposes a temporary amendment to the Texas Constitution

### Positions (3)

Eckhardt (D-14), Sen. Joan Huffman (R-17), Rep. Mihaela Plesa (D-70) FAVOR: Texas AFL-CIO, Raise Your Hands Texas, Texas Association of School Administrators, Texas Association of School Boards, Texas Elementary Principals and Supervisors Association, Texas Retired Teachers Association, Lt. Gov. Dan Patrick, Sen. Sarah

**NEUTRAL:** True Texas Project, Texans For Fiscal Responsibility

## Legislative Authorship/Sponsorship (2)

House Author: Greg Bonnen (R-24)

Senate Sponsor: Joan Huffman (R-17)

- A "YES" vote supports amending the state constitution to authorize the state legislature to make cost-of-living adjustments to certain annuitants, as defined by law, of the Teacher Retirement System of Texas
- A "NO" vote opposes amending the state constitution to authorize the state legislature to make cost-of-living adjustments to certain annuitants, as defined by law, of the Teacher
- Retirement System of Texas

Bill Number: SJR 87

Taxpayer Cost: \$29 M

**Ballot** Wording

"The constitutional amendment to authorize the legislature to exempt from ad valorem taxation equipment or inventory held by a manufacturer of medical or biomedical products to protect the Texas healthcare network and strengthen our medical supply chain."

## Explanatory Statement (1)

manufacturing or processing of medical or biomedical products. personal property held by a medical or biomedical manufacturer as a finished good or used in the SJR 87 proposes a constitutional amendment to allow the legislature to exempt from property taxation tangible

### Background (2)

goods held temporarily for manufacturing or export, and marine oil drilling equipment in storage from taxation, including exemptions for agricultural equipment and products, pollution control equipment, voters have approved constitutional amendments excepting various forms of commercial personal property required or permitted by the constitution. The legislature may not exempt real or tangible personal property ad valorem taxation. Section 1, Article VIII, Texas Constitution, requires that taxation be equal and uniform and Under current state law, most property held by a business and used for the production of income is subject to from ad valorem taxation unless the exemption is required or authorized by the constitution. Previously, Texas that all real and tangible personal property be taxed in proportion to its value unless the property is exempt as

Legislative Authorship/Sponsorship (2)

Senate Author: Joan Huffman (R-17)

House Sponsor: Greg Bonnen (R-24)

### Analysis (2)

of medical or biomedical products. 1-x to authorize the legislature to exempt from ad valorem taxation the tangible personal property held by a The constitutional amendment proposed by S.J.R. 87 amends Article VIII, Texas Constitution, by adding Section manufacturer of medical or biomedical products as a finished good or used in the manufacturing or processing

application procedures and other provisions relating to the administration of the exemption that is not held or used for production of income, the governing body of a taxing unit may not provide tor governing body of a taxing unit to provide for the taxation of tangible personal property that a person owns and or leases. The new section also provides that, notwithstanding Section 11.14(c), Tax Code, which authorizes the provides that a person is entitled to an exemption from ad valorem taxation of medical or biomedical property biomedical property" and "medical or biomedical manufacturing facility" for purposes of the section and amends Subchapter B, Chapter 11, Tax Code, by adding Section 11.36. That section defines "medical or taxation of medical or biomedical property exempted under that section. The enabling legislation also includes the person owns or leases that is located in a medical or biomedical manufacturing facility that the person owns The enabling legislation for the proposed exemption is S.B. 2289, 88<sup>th</sup> Legislature, Regular Session, 2023. The bill

### Positions (3)

and Bioscience Institute, Texas Medical Center FAVOR: Biotechnology Innovation Organization, Greater Houston Parnership, Texas Healthcare

**OPPOSE**: True Texas Project, Texans For Fiscal Responsibility

A "YES" vote supports amending the state constitution to authorize the state legislature to provide for an ad valorem tax exemption on equipment and inventory manufactured by medical or biomedical companies

A "NO" vote apposes amending the state constitution to authorize the state legislature to provide for an ad valorem tax exemption on equipment and inventory manufactured by medical or biomedical companies



Bill Number: SJR 32

Taxpayer Cost: \$0

Ballot Wording

"The constitutional amendment authorizing the legislature to permit conservation and reclamation districts in El Paso County to issue bonds supported by ad valorem taxes to fund the development and maintenance of parks and recreational facilities."

## M

Explanatory Statement (1)

SJR 32 proposes a constitutional amendment to expand the authority of the legislature with regard to conservation and reclamation districts in El Paso County. The Texas Constitution permits conservation and reclamation districts in certain counties across the state to issue bonds to fund the development and maintenance of parks and recreational facilities but does not currently provide this authority to El Paso County. The proposed amendment would add conservation and reclamation districts in El Paso County to those districts currently allowed, if authorized by general law, to issue bonds supported by property taxes to fund the development and maintenance of parks and recreational facilities. The proposed amendment would not limit the powers of the legislature or of a conservation and reclamation district with respect to parks and recreational facilities as those powers currently exist.

### Background (

The constitutional amendment proposed by S.J.R. 32, 88th Legislature, Regular Session, 2023, provides specific authority to the legislature regarding parks and recreational facilities developed by conservation and reclamation districts in El Paso County. The legislature's general authority to create conservation and reclamation districts is granted by Section 59, Article XII, Texas Constitution, Done of those provisions, Section 59(c-1), added to the constitution in 2003, is the subject of the proposed amendment. Section 59(c-1), Article XII, Texas Constitution, applies only to conservation and reclamation districts located in one of 10 listed populous counties (Bexar, Bastrop, Waller, Travis, Williamson, Harris, Galveston, Brazoria, Fort Bend, and Montgomery Counties) and to the Tarrant County Regional Water District. The legislature previously adopted S.J.R. 28, 82nd Legislature, Regular Session, 2011, which would have amended the Texas Constitution to make the same change in law regarding districts in El Paso County as is proposed by S.J.R. 32, but that amendment was not approved by the voters at the election held on November 8, 2011.

### Analysis (2)

financed by taxes in districts located wholly or partly in El Paso County. finance parks and recreational facilities in El Paso County that currently exists, provides for the issuance of bonds control and improvement districts, municipal management districts, and special utility districts) to develop and which the legislature may authorize conservation and reclamation districts (special districts such as water Section 59(c-1), Article XVI, Texas Constitution, to add El Paso County to the list of counties in Section 59(c-1) in finance parks and other purely recreational facilities with taxes. The amendment, without limiting any power to The constitutional amendment proposed by S.J.R. 32, 88th Legislature, Regular Session, 2023, would amend

### Positions (3)

FAVOR: El Paso Water, Rep. Joseph Moody (D-78)

**OPPOSE**: True Texas Project

**NEUTRAL:** Texans For Fiscal Responsibility

Legislative Authorship/Sponsorship (2)

Senate Author: Cesar Blanco (D-29)

House Sponsor: Joseph Moody (D-78)

- and recreational facilities A "YES" vote <u>supports</u> amending the state constitution to authorize the state legislature to permit conservation and reclamation districts in El Paso County to issue bonds to fund parks
- A "NO" vote opposes this constitutional amendment, thereby maintaining that conservation and reclamation districts in El Paso County cannot issue bonds

Bill Number: HJR 134

Taxpayer Cost:

Ballot Wording

> "The constitutional amendment providing for the abolition of the office of county treasurer in Galveston County."

## Explanatory Statement ()

by the County Treasurer. The proposed amendment would take effect only if a majority of the voters of Galveston County voting on the proposition favor the amendment. qualified person or designate another county officer to perform any functions that would have been performed The amendment would authorize the Galveston County Commissioners Court to employ or contract with a HJR 134 proposes a constitutional amendment to abolish the office of County Treasurer in Galveston County

### Background (2)

been abolished pursuant to a constitutional amendment for the election of a county treasurer in each county. Section 44 also provides that each county treasurer shall Section 44 also provides that the office of county treasurer does not exist in a county in which the office has have an office at the county seat, hold their office for four years, and be compensated as provided by law. Section 44, Article XVI, Texas Constitution, requires in part that the legislature prescribe the duties and provide

### Analysis (2)

the state, a majority of the voters in Galveston County voting on the question also approve the amendment. of the functions that would have been performed by the county treasurer if the office had not been abolished. court of that county to employ or contract with a qualified person, or designate a county officer, to perform any by the voters, would abolish the office of county treasurer in Galveston County and authorize the commissioners The constitutional amendment proposing to add Section 44(d), Article XVI, Texas Constitution, if approved The amendment also provides that the amendment takes effect only if, in addition to approval by voters across

### Positions (3)

FAVOR: Dickinson City Councilmember Jessie Brantley, Galveston County Director of Government Relations Zach Davidson, Galveston County Treasurer Hank Dugie, Texans For Fiscal Responsibility

OPPOSE:

**NEUTRAL:** True Texas Project

Legislative Authorship/Sponsorship (2)

House Author: Greg Bonnen (R-24)

Senate Sponsor: Mayes Middleton (R-11)



A "NO" vote opposes amending the state constitution to provide for the abolishment of the Galveston County treasurer.



Bill Number: HJR 107

Taxpayer Cost: \$TBD

Ballot Wording

"The constitutional amendment to increase the mandatory age of retirement for state justices and judges."

## E

Explanatory Statement (1

HJR 107 proposes a constitutional amendment to increase the mandatory retirement age for state justices and judges. Currently, the Texas Constitution establishes that justices and judges of the appellate courts, district courts, and criminal district courts must retire on the expiration of the term during which they reach the age of 75 years or an earlier age, not less than 70 years, as the legislature may prescribe. The proposed amendment would change the mandatory retirement age for justices and judges of the appellate courts, district courts, and criminal district courts to 79 years or an earlier age, not less than 75 years, as the legislature may prescribe. The proposed amendment also would remove the provision stating that justices and judges may only serve until December 31 of their fourth year in office if they reach the age of 75 years in the first four years of a six-year term.

### Background

Section 1-a(1), Article V. Texas Constitution, requires a state judge or justice to retire at the end of the term during which the judge or justice reaches the age of 75 or, if the judge or justice is serving a six-year term and turns 75 during the first four years of the term, requires the judge or justice to retire on December 31 of the fourth year of the term.

### Analysis (2)

to 75 years of age age of retirement of state justices and judges from 75 to 79 years unless the legislature sets a lower mandatory The proposed amendment amends Section 1-a(1), Article V, Texas Constitution, to increase the mandatory retirement age. The proposed amendment also increases the lowest age the legislature may prescribe from 70

### Positions (3)

**OPPOSE**: Texans For Fiscal Responsibility **NEUTRAL**: True Texas Project Judges of Texas, Texans for Lawsuit Reform, Texas Association of Retired, Senior, and Former Judges, Inc., FAVOR: Associated Builders and Contractors of Texas, Oldham County Attorneys Office, Satutory Probate Texas Civil Justice League, Texas Trial Lawyers Association, Texas Trucking Association, Texas Watch

Legislative Authorship/Sponsorship @

House Author: Four Price (R-87)

Senate Sponsor: Juan "Chuy" Hinojosa (D-20)



A "NO" vote opposes increasing the mandatory retirement age of state justices and judges and removing the requirement that if a judge or justice is elected to serve a six-year term and reaches 75 years of age during the first four years of service the justice or judge must vacate the office on December 31 of the fourth year of the term

Bill Number: SJR 74

Taxpayer Cost: \$1 B

Ballot Wording

> "The constitutional amendment providing for the creation of the centennial parks conservation fund to be used for the creation and improvement of state parks."

## W

## Explanatory Statement (1)

SJR 74 proposes a constitutional amendment to establish the centennial parks conservation fund as a trust fund outside the state treasury. The fund could be used, in accordance with general law, only for the creation and improvement of state parks. The centennial parks conservation fund would consist of: (1) money appropriated, credited, or transferred to the fund by the legislature; (2) gifts, grants, and donations received by the Texas Parks and Wildife Department (TPWD) or its successor for a purpose for which money in the fund may be used; and (3) investment earnings and interest earned on amounts credited to the fund. The proposed amendment would authorize the legislature to appropriate money from the centennial parks conservation fund to TPWD or its successor for the creation and improvement of state parks.

### Background (2)

The Texas state parks system has traditionally been funded by a combination of user fees, such as park entrance fees, and legislative appropriations. In 2019, Texas voters approved a constitutional arriendment to add Section 7-d to Article VIII, Texas Constitution, dedicating a portion of the state sales taxes on sporting goods to provide a revenue stream to the Parks and Wildlife Department. The constitutional amendment proposed by S.J.R. 74, 88th Legislature, Regular Session, 2023, adding Section 49-e-1, Article III, Texas Constitution, would create the centennial parks conservation fund to provide an additional dedicated funding source for Texas' state parks. The proposed fund, named in recognition of the 100th anniversary of the establishment of the state park system, would be created as a trust fund outside the treasury and would authorize the use of the fund only for the creation and improvement of state parks, in accordance with general law, and to pay the reasonable expenses of managing the fund and its assets. The fund would consist of: (1) money appropriated, credited, or transferred to the fund by the legislature; (2) gifts, grants, and donations received by the Parks and Wildlife Department or the department's successor in function for a purpose for which money in the fund may be used under the constitutional provision; and (3) investment earnings and interest earned on amounts credited to the fund.

### Analysis (2)

enabling legislation for S.J.R. 74. The bill addresses in more detail the administration of the centennial parks conservation 1648 and voter approval of this constitutional amendment. See Rider 45, page VI-51, H.B. 1, 88th Legislature, Regular conservation fund for the state fiscal year ending August 1, 2024. The appropriation is contingent on enactment of S.B General Appropriations Act appropriates \$1 billion to the Parks and Wildlife Department for the centennial parks fund and takes effect only if S.J.R. 74 is approved by the voters at an election to be held November 7, 2023. The 2023 dedicated by the Texas Constitution. Enacted in 2023 by the 88th Legislature in the Regular Session, S.B. 1648 is the and an appropriation of state tax revenues to the fund would be treated as if it were an appropriation of revenues established by Section 22, Article VIII, Texas Constitution, money in the fund would be dedicated by the Texas Constitution The proposed amendment also provides that for purposes of the restriction on the rate of growth of appropriations

### Positions (3)

Conservation, Texas Travel Alliance FAVOR: Environment Texas, Sierra Club Lone Star Chapter, Texans for State Parks, Texas Foundation for

**OPPOSE**: Texans For Fiscal Responsibility, True Texas Project

NEUTRAL

Legislative Authorship/Sponsorship (2)

Senate Author: Tan Parker (R-12)

House Sponsor: Armando Walle (D-140)

A "YES" vote <u>supports</u> amending the state constitution to create the Centennial Parks Conservation Fund—a trust fund for the creation and improvement of state parks





# Texas Constitutional Amendments - Election Notes

# Texas Constitutional Amendments - Election Notes

## Texas Constitutional Amendments - Sources

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Sponsorship

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