

ANGIE CHEN BUTTON



The State of Texas
House of Representatives



October 10, 2011

Friends,

It is finally Fall in Texas. I hope you are all enjoying the cooler weather. During the 2011 Regular Session, the 82nd Texas Legislature passed ten joint resolutions proposing amendments to the state constitution and these proposed amendments will be on the ballot for voter approval on November 8, 2011. This newsletter is longer than most so I can provide a brief summary of the proposed amendments which you will find in the second section after the "Around the District" portion.

Around the District

I was pleased to attend the 66th Annual Garland Labor Day Parade and I enjoyed seeing many of you there. I was also pleased to present a resolution honoring the Garland Community Multicultural (CMC) Commission for its outstanding work and continued success at a recent Garland City Council Meeting. The Meals for the Minds Luncheon benefitting Metrocare Services of Dallas County which is a non-profit serving numerous clients with mental illness and developmental disabilities was a wonderful event.

Comptroller Susan Combs presented our own Garland ISD with the FAST Award. This award recognizes our school district as one of the most efficient districts in the state, achieving wonderful academic progress with prudent fiscal responsibility. This is the second-consecutive year GISD has earned the top five-star rating - a feat achieved by only 23 of the state's 1,237 school districts. In addition, I enjoyed having breakfast at the 21st Annual Garland NAACP Freedom Brunch with keynote speaker Garland Police Chief Mitch Bates. At the TI Foundation 2011 Innovations in STEM Teaching Award Winners Reception, Kelly Tackett, a Berkner High School mathematics teacher was honored with a STEM Teaching Award.

Along with Representatives Jerry Madden and Stefani Carter, I provided a legislative update on the 82nd Session at the City of Richardson September HOA President's Meeting. I also provided a legislative update at the Richardson Rotary Club meeting at Canyon Creek Country Club and had a wonderful time attending the DFW Double Tenth Centennial Celebration. I was honored to attend a legislative briefing at Raytheon, a major employer in our region and state and an innovator and economic engine for the nation. The Garland Healthy Living Expo was an informative event hosted by The City of Garland, Baylor Medical Center at Garland, Garland

Independent School District, and the Garland Chamber of Commerce. The City of Sachse held its 26th Annual Fall Festival last Saturday. It was a wonderful community event

I attended the tour and grand opening of the Venture Development Center at the University of Texas at Dallas. The Venture Development Center is part of UT Dallas' Office of Technology Commercialization and Institute for Innovation and Entrepreneurship. With its opening, entrepreneur-minded researchers now have a space where they can further develop technologies that can be manufactured or produced turning ideas into jobs. I also had the pleasure of attending the 2011 DFW Asian American Citizens Council (AACC) Annual Banquet where Attorney General Greg Abbott was the keynote speaker.



Here I am at a ribbon cutting at Benning Power Electronics in Richardson. Benning is a German based company which has recently launched its new North America facility in Richardson. It includes a training facility, research development center, improved manufacturing processes, and a highly esteemed testing area. To my right is Richardson Chamber of Commerce President & CEO, Bill Sproull, and to my left are: Benning Worldwide President/CEO, Theo Benning, Richardson Mayor Bob Townsend, and President/CEO of Benning Power Electronics, Mario Barbaresso.



This month I was also able to participate as a celebrity judge at the 2011 Garland Executive Lock-up. This event "locked up" many of Garland's business leaders who came together to raise money for local Muscular Dystrophy Association research efforts. To my left is Johnny Carlock from Garland Power & Light, Garland City Councilwoman Laura Perkins Cox, Representative Kenneth Sheets, and Garland City Councilman Larry Jeffus.



October 4th was National Night Out in Richardson and Garland. It was such a fun night to spend with numerous families at their homes in Richardson as well as three different HOA's in Garland. Both cities' Police Departments, Fire Departments, and neighborhood crime watch associations deserve so much credit and appreciation for all their hard work and dedication keeping our communities safe. For the fourth year in a row, Richardson Police won First Place at the 2010 National Night Out Competition. I was able to present House Resolution 2712 at a Richardson City Council Meeting congratulating them on receiving this outstanding award.

To my left are: Richardson Captain of Patrol Operations Division Rick Helfers and Craig Dickey and to my right are: Brenda Dickey, Kevin Bissell and his father and homeowner in Canyon Creek, Charley Bissell.

Proposed Constitutional Amendments

Amendment No. 1 (S.J.R. 14)

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.

Summary: Currently, severely disabled veterans are exempt from property (ad valorem) taxation of all or part of the market value of the residence homestead. The proposed amendment would authorize the legislature to provide that the surviving spouse of a disabled veteran would not lose the exemption upon the death of their husband or wife if the surviving spouse has not remarried since the death of the disabled veteran.

Amendment No. 2 (S.J.R. 4)

The constitutional amendment providing for the issuance of additional general obligation bonds by the Texas Water Development Board in an amount not to exceed \$6 billion at any time outstanding.

Summary: The proposed amendment would authorize the Texas Water Development Board to issue general obligation bonds on a continuing basis for Texas Water Development Fund II accounts in amounts such that the aggregate principal amount of the

outstanding bonds issued by the board under that section that are outstanding at any time does not exceed \$6 billion. The \$6 billion bonding authority would be in addition to the board's current bonding authority.

Amendment No. 3 (S.J.R. 50)

The constitutional amendment providing for the issuance of general obligation bonds of the state to finance educational loans to students.

Summary: The proposed amendment would empower the legislature to authorize the Texas Higher Education Coordinating Board to issue and sell state general obligation bonds for the purpose of financing student loans as long as the principal amount of outstanding bonds issued is at all times equal to or less than the aggregate principal amount of state general obligation bonds previously authorized. The proposed amendment also would authorize the legislature to provide for the investment of bond proceeds and to establish and provide for the investment of an interest and sinking fund to pay the bonds. The proposed amendment would have the effect of continuing the existing Hinson-Hazelwood Student Loan Program, for which similar bonds have previously been authorized. Unlike the previous bond authorizations, the proposed amendment would not limit the total amount of bonds issued.

Amendment No. 4 (H.J.R. 63)

The constitutional amendment authorizing the legislature to permit a county to issue bonds or notes to finance the development or redevelopment of an unproductive, underdeveloped, or blighted area and to pledge for repayment of the bonds or notes increases in ad valorem taxes imposed by the county on property in the area. The amendment does not provide authority for increasing ad valorem tax rates.

Summary: The Texas Constitution currently allows the legislature to authorize an incorporated city or town to issue bonds or notes to finance the development or redevelopment of an unproductive, underdeveloped, or blighted area within the city and to pledge for repayment of those bonds or notes increases in property tax revenues imposed on property in the area by the city, a mechanism referred to as tax increment financing. The proposed amendment would expand the authorization to include counties.

Amendment No. 5 (S.J.R. 26)

The constitutional amendment authorizing the legislature to allow cities or counties to enter into interlocal contracts with other cities or counties without the imposition of a tax or the provision of a sinking fund.

Summary: The proposed amendment would authorize the legislature for the purpose of increasing efficiency and effectiveness to the greatest extent possible, to authorize a city or county to enter into interlocal contracts with other cities or counties without meeting the requirement that, before incurring any debt, the city or county provide for the assessment and collection of a sufficient tax to pay the interest on the debt and that it create a sinking fund of at least two percent.

Amendment No. 6 (H.J.R. 109)

The constitutional amendment clarifying references to the permanent school fund, allowing the General Land Office to distribute revenue from permanent school fund land or other properties to the available school fund to provide additional funding for public education, and providing for an increase in the market value of the permanent school fund for the purpose of allowing increased distributions from the available school fund.

Summary: The Texas Constitution limits the amount that may be distributed from the permanent school fund to the available school fund in each year of a state fiscal biennium to an amount not greater than six percent of the average of the market value of the permanent school fund on the last day of each of the 16 state fiscal quarters preceding the regular session of the legislature that begins before that state fiscal biennium. The proposed amendment would change the manner of calculating the market value of the permanent school fund for purposes of the limitation on distributions, with the result of raising the market value and allowing increased distributions. Specifically, the amendment would include in the calculation of market value discretionary real assets investments and cash in the state treasury derived from permanent school fund property. The proposed amendment includes a temporary provision addressing implementation of the change to the determination of market value.

The proposed amendment also authorizes the General Land Office or an entity other than the State Board of Education that has responsibility for the management of permanent school fund land or other properties, in its sole discretion, to distribute to the available school fund each year revenue derived during that year from the land or properties, not to exceed \$300 million each year.

Additionally, the proposed amendment would amend various provisions of the Texas Constitution to make consistent the terminology used in referring to the permanent school fund. The Texas Constitution variously refers to a permanent free public school fund, a perpetual public school fund, a public free school fund, and a permanent school fund, all of which, according to the attorney general, constitute a single fund now commonly referred to as the permanent school fund.

Amendment No. 7 (S.J.R. 28)

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.

Summary: The Texas Constitution allows the legislature, for development of certain parks and recreational facilities that were not authorized to be developed and financed with taxes before September 13, 2003, to authorize indebtedness payable from taxes as necessary to provide for improvements and maintenance only for a conservation and reclamation district which is located in any one of certain specified counties or for a certain water district. The proposed amendment would include among the conservation and reclamation districts for which such indebtedness is authorized a conservation and reclamation district all or part of which is located in El Paso County.

Amendment No. 8 (S.J.R. 16)

The constitutional amendment providing for the appraisal for ad valorem tax purposes of open-space land devoted to water-stewardship purposes on the basis of its productive capacity.

Summary: The Texas Constitution generally requires real property to be taxed at its market value. Currently, the legislature is required, for the purpose of promoting the preservation of open-space land, to provide by general law for taxation of open-space land devoted to farm, ranch, or wildlife management purposes on the basis of its productive capacity, rather than at full market value, and authorizes the legislature to provide, on the same basis and by general law, for taxation of open-space land devoted to timber production. The proposed amendment would require the legislature, by general law, to provide for taxation of open-space land devoted to water stewardship on the basis of its productive capacity.

Amendment No. 9 (S.J.R. 9)

The constitutional amendment authorizing the governor to grant a pardon to a person who successfully completes a term of deferred adjudication community supervision.

Summary: The Texas Constitution authorizes the governor, in all criminal cases except treason and impeachment, after conviction and on the written signed recommendation and advice of the Board of Pardons and Paroles, to grant reprieves and commutations of punishment and pardons. The proposed amendment would authorize the governor, in all criminal cases except treason and impeachment, and on the board's written signed recommendation and advice, to grant a pardon also to a person who is not convicted but who successfully completes a term of deferred adjudication community supervision.

Amendment No. 10 (S.J.R. 37)

The constitutional amendment to change the length of the unexpired term that causes the automatic resignation of certain elected county or district officeholders if they become candidates for another office.

Summary: The proposed amendment would amend the provision in the Texas Constitution, (commonly known as the "resign-to-run" provision), to specify that an announcement by certain elected county or district officeholders of candidacy for another office, or such candidacy itself, constitutes an automatic resignation of the office then held if the announcement or candidacy occurs at any time when the officeholder's unexpired term exceeds one year and 30 days, rather than one year.

It is an honor to serve as your State Representative. Please continue to communicate your views on issues that are important to you.

Sincerely,

Angie Chen Button

If you would like to be added or removed from this mailing, please e-mail Angie.Button@house.state.tx.us.