



Issues That Affect You:

Taxes • Bonds • Permanent School Fund • Pardons • Terms of Office

ABOUT THIS *VOTERS GUIDE*

This *Voters Guide* is funded and published by the League of Women Voters of Texas Education Fund to help citizens cast informed votes on the ten proposed Constitutional Amendments on November 8, 2011. The League of Women Voters, a nonpartisan organization, encourages informed and active participation in government. Neither the League nor the Education Fund supports or opposes any political party or candidate.

Check the League's website for other helpful information about elections, voting and issues: www.lwvtexas.org.

Check with your county election official to find out if there are additional propositions on the ballot in your area.

CONSTITUTIONAL AMENDMENT PROCESS

Texas voters have approved 467 amendments to the Texas Constitution since its adoption in 1876. An amendment is proposed in a joint resolution that can originate in either house of the state legislature, during a regular or special session. A joint resolution specifies the election date and may contain more than one amendment. The joint resolution must receive a vote of two-thirds of each house before it is presented to the voters. The governor cannot veto a joint resolution.

The governor can, however, veto the enabling legislation, the bill to enact the amendment if it is passed by voters. Not all amendments require enabling legislation. If the voters reject an amendment, the enabling legislation does not take effect. If the amendment fails, the legislature may resubmit it in a future legislative session.

Amendments take effect when the official vote canvass confirms statewide voter approval, unless a later date is specified in the joint resolution.

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Special thanks to Jacqueline Pike for the Spanish translation of the *Voters Guide*.



Check your choice in the box by each proposed amendment in this Voters Guide to save time when you are casting your ballot. It is legal for you to take this Voters Guide into the polling place.

PROPOSITION 1

Official Ballot Language

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.

Explanation

Currently the Tax Code fully exempts residential homesteads of totally disabled veterans from property taxes.

Proposition 1 would let the legislature give a property tax exemption to the surviving spouse of a totally disabled veteran if the property had been exempted from property taxes under the disabled veteran's exemption, if it was the residence of the surviving spouse when the veteran died and remained the surviving spouse's residence

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You may bring this *Voters Guide* into the voting booth.*

*In 1995, the Texas law prohibiting use of printed materials, such as this *Voters Guide*, in the polling place was ruled unconstitutional (*Texas Election Code, Section 61.011*)

homestead thereafter, and if the surviving spouse had not remarried.

This exemption would follow the surviving spouse if a new homestead were purchased and the surviving spouse had not remarried. The exemption would be limited to the dollar amount of the exemption of the previous qualifying homestead.

If passed, this exemption would apply to tax years beginning on or after January 1, 2012.

Arguments For

- Surviving spouses of disabled veterans deserve support for the sacrifices they have made. Texas already gives some surviving spouses the right to inherit other property tax breaks, such as the school tax freeze available to homeowners at age 65 which is transferable to the surviving spouse who is at least 55 years old at the time of the transfer.
- Allowing the exemption to follow the surviving spouse to a new homestead property helps contain the cost. If the surviving spouse moves to a less expensive home, the more valuable original homestead property is no longer exempt. If the surviving spouse moves to a more expensive home, the surviving spouse can exempt only the value of the original homestead.

Arguments Against

- Extending the tax exemptions would decrease property tax revenue to local governments.
- Tax exemptions should not be extended when basic services such as schools, health care, parks, and transportation are critically underfunded.

PROPOSITION 2

Official Ballot Language

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.

Explanation

The Texas Water Development Board (TWDB) makes loans at very low interest rates to cities, towns, water supply corporations, and various other political sub-divisions across the state. These loans are used to finance a variety of local water projects, including infrastructure improvement or water treatment plants. The TWDB's current bonding capacity of \$2 billion is not sufficient to meet the needs of local governments that are upgrading

infrastructure to meet the growing demand.

The proposed amendment would authorize the TWDB to issue additional bonds as long as the aggregate amount of bonds outstanding did not exceed \$6 billion. This ongoing authority is known as "evergreen" authority.

These bonds, if approved, would be self-supporting and not a detriment to the state budget, would not cost the state any money from the general revenue fund, and would not count toward the state's constitutional debt limit. The principal and interest payments on the loans would be paid by the political sub-divisions. The interest paid on the loans funds the agency.

Arguments For

- The TWDB has an excellent record of managing large bond portfolios without any defaults in the history of its Water/Wastewater Loan Program or State Revolving Fund programs. The Board's bonds consistently receive AAA ratings.
- The "evergreen" authority would enable the loan program to be continued without repeated and costly constitutional amendment elections. This type of ongoing authority was overwhelmingly approved by Texas voters in 2009 for state bonds issued by the Veteran's Land Board.
- Local water providers can get loans for major infrastructure projects at a much lower rate by borrowing the money from the TWDB.

Arguments Against

- The jump from \$2 billion to \$6 billion is too large. The ceiling should be raised in smaller increments, with periodic review by the legislature and voters.
- It is not clear how much new development and economic growth our water supply can sustain. We should determine first how much we should expand our water infrastructure.
- The "evergreen" authority would re-authorize the issuance of bonds previously approved and since paid off and retired. The legislature and the voters should maintain accountability for the administration of the funds by retaining their authority to approve the issuance of state bonds periodically.

PROPOSITION 3

Official Ballot Language

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

Explanation

The Hinson-Hazlewood College Student Loan Program provides low-interest loans to Texas residents who attend public or private higher education institutions in Texas and who have insufficient resources to finance a college education. The loan program uses general obligation bonds to finance the loans, which generally must be authorized by constitutional amendment. Since 1965, Texas voters have approved seven constitutional amendments authorizing \$1.86 billion in bonds for the HH loan program. It is projected that the remaining bonds will be exhausted by 2013.

Proposition 3 would authorize additional bonds to be issued to support the HH loan program, but unlike the previous bond authorizations, the proposed amendment would not limit the total amount of bonds issued, as long as the aggregate amount did not exceed the total amount previously authorized by voters. This ongoing authority is known as “evergreen” authority.

Arguments For

- The HH student loan program has a demonstrated record of success and is self-supporting, depending not on tax dollars, but on money from student loan repayments to pay the interest and principal on the bonds. Bonds for the program do not count against the state bond debt cap because they are financed through loan repayments, not general revenue.
- The “evergreen” authority would enable the student loan program to be continued without repeated and costly constitutional amendment elections. This type of ongoing authority was overwhelmingly approved by Texas voters in 2009 for state bonds issued by the Veteran’s Land Board.
- Recent reductions in federal financial aid and possible reductions in state programs increase the need for additional sources of college funding for Texas students. The loan program supports the state’s goal to improve student access to postsecondary education.

Arguments Against

- This is not a good time to increase state debt. Even though the program is self-supporting, the bonds are considered an obligation of the state, and the state is ultimately responsible for repaying the money borrowed.
- The current poor economy could increase the rate of default on the loans, affecting the program’s ability to be self-supporting.
- The “evergreen” authority would re-authorize the

issuance of bonds originally approved as long as 40 years ago and since paid off and retired. The legislature and the voters should maintain accountability for the administration of the funds by retaining their authority to approve the issuance of state bonds periodically.

PROPOSITION 4

Official Ballot Language

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.

Explanation

Currently the Texas Constitution allows the legislature to authorize incorporated cities and towns to use a mechanism called “tax increment financing” to finance the development or redevelopment of an unproductive, underdeveloped, or blighted area. Under this mechanism the bonds or notes to finance the development are repaid using increases in tax revenues on the property in the area. The revenue increases come from increases in property values in the development area, not from an increased tax rate, which is not authorized.

Proposition 4 would expand the authorization to include counties, so that tax increment financing could be used in unincorporated areas.

Arguments For

- Proposition 4 would allow counties to work together with cities and towns to designate reinvestment zones for transportation and other redevelopment projects, allowing them to maximize resources.
- Property values in a reinvestment zone may increase as a result of economic development, but no property in the zone would be taxed at a higher rate.

Arguments Against

- Property taxes should not be used to fund transportation and other redevelopment projects.
- Tax increment financing could create an incentive to increase property appraisals in reinvestment zones to repay the bonds and notes and thus divert funds from other pressing needs. Because the criteria for such zones are not well-defined, influential developers could get an area designated as a rein-

vestment zone, and existing businesses in the zone could end up paying higher taxes for development that does not benefit them, or may even benefit their competitors.

PROPOSITION 5

Official Ballot Language

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.

Explanation

Currently under the Texas Constitution, cities with a population greater than 5,000 and all counties and cities bordering on the coast of the Gulf of Mexico may not create any debt without levying a tax sufficient to pay the interest and provide a sinking fund of at least two percent. A contract longer than one year between local governments has been interpreted as a debt under certain circumstances, requiring the tax assessment and the creation of a sinking fund.

Proposition 5, along with its enabling legislation, would authorize those cities and counties to enter into interlocal contracts longer than one year with other cities or counties without meeting the tax and sinking fund requirements.

Arguments For

- This proposition would give local governments more flexibility to consolidate projects and services over a term longer than one year in order to improve efficiency and reduce costs to taxpayers.

Arguments Against

- There may be some cases where multi-year interlocal agreements do constitute a debt and should require a tax and sinking fund; removing this constraint gives too much flexibility to local governments.

PROPOSITION 6

Official Ballot Language

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.

Explanation

The Permanent School Fund (PSF) was established in the Texas Constitution of 1876, which set aside half of Texas' remaining public lands to help finance public schools. Several different terms are used in the Constitution to refer to this fund, and Proposition 6 would replace other terms with the single term, "Permanent School Fund" in all references.

The proposed amendment also provides for potential increases in distributions from the PSF to the Available School Fund (ASF), which provides funding to school districts on a per-student basis and supports classroom instructional materials and technology.

Currently, the General Land Office (GLO) is responsible for managing the public school lands; proceeds from the land and mineral rights are held in the PSF. The State Board of Education (SBOE) manages the investment of the PSF and, if the fund's investment performance permits, makes distributions from the PSF to the ASF. Only interest or revenue income from the PSF can be spent; the principal amount remains intact and will continue to benefit the public schools of Texas.

The proposed amendment would permit the distribution of some revenue derived from the public school lands directly to the ASF. The GLO, or an entity other than the SBOE with the responsibility for the management of permanent school fund land or other properties, would be permitted to transfer up to \$300 million per year of revenues derived from the public lands that year. This provision addresses problems found by the Attorney General in a previous statute allowing such distributions.

The proposed amendment would also change the way the market value of the PSF is calculated by including additional assets that are currently not included (i.e., discretionary real estate investments and cash in the state treasury derived from PSF property). At the beginning of each legislative session, the SBOE determines the rate (up to a maximum rate specified in the Constitution) of the market value of the PSF that will go to the ASF. Given the current value of the PSF and the rate determined by the SBOE at the beginning of the last legislative session, this proposed amendment might provide approximately \$75 million more to the ASF in both FY 2011-2012 and 2012-13.

Arguments For

- Increased distributions to the Available School Fund would provide support for public schools at a time when additional state funding for schools is needed.

Arguments Against

- Instead of transferring additional revenue to schools now, the revenue should be used to grow the Permanent School Fund to provide support for public schools in future years.

PROPOSITION 7

Official Ballot Language

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.

Explanation

Under the Texas Constitution, the legislature can authorize specified counties or water districts to create conservation and reclamation districts that would issue bonds and levy taxes to develop parks and recreational facilities that were not so authorized before September 13, 2003. Currently 10 counties are specified; Proposition 7 would add El Paso County to that list.

If the proposed amendment passes, voters in the district would have to approve or deny creation of a combined city/county tax district in El Paso County in order for the legislature to authorize a district to issue bonds or incur indebtedness.

Arguments For

- The City of El Paso's parks system is bearing the brunt of tremendous growth in the county, not only from migration but also the relocation of military families to Fort Bliss. The proposed amendment would enable the city and county to work together to develop a comprehensive regional parks system, which would not only attract development but also could leverage resources of both the city and county and operate more efficiently than either entity could on its own.
- Passage of this proposed constitutional amendment would not automatically raise taxes. It is just the first step in the process of allowing the district voters to decide on the creation of an El Paso County parks district. If approved, city and county officials would begin working on enabling legislation for

consideration by the 83rd Texas Legislature beginning January 2013.

Arguments Against

- If the proposition is approved, taxpayers in the county, which is not affluent, could be subject to yet another taxing entity. Establishing a regional parks district is a quality of life issue rather than an economic development issue. Sustaining the economy is a more important focus for community leaders at this time.
- City and county leaders need to have more information about the exact financing, leadership, functions and authority of the proposed parks district before this constitutional amendment is presented to voters.

PROPOSITION 8

Official Ballot Language

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.

Explanation

Property that is appraised for open land use (currently for agriculture, ranching and/or wildlife preservation) is taxed on the basis of its productive capacity, rather than at full market value. This proposed amendment would add a new water conservation option, called a "water stewardship valuation," to land already appraised for open land use. This would not decrease property taxes on the land, but would give open-space landowners another option to engage in activities on their property that benefit both water quality and quantity.

Management plans for individual water stewardship would be created in association with the Texas Parks and Wildlife Department and could include brush control to increase stream flow and groundwater storage, land management that would enhance infiltration into soil around playas, water reuse projects in wetlands to clean water naturally, and erosion control to impede silting of reservoirs.

Arguments For

- Water conservation is a necessity to protect our fresh water resources. Our population is expected to double by 2060, and according to the state water plan, active conservation will account for 23 percent of the state's future water supply. This proposed amendment would create another tool for

managing the state's limited water resources.

- This provision would be revenue neutral; landowners who choose this option will pay the same amount of taxes as they did before moving to this new valuation.

Arguments Against

- Farmers and ranchers who qualify for an agricultural valuation are already practicing water conservation in order to keep their stocks and crops productive.
- This valuation is unnecessary because it would duplicate options that are already available under the wildlife management valuation.

PROPOSITION 9

Official Ballot Language

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

Explanation

In some criminal cases, if a defendant pleads guilty or no contest, a judge may defer adjudication of guilt and place the defendant on probation with community supervision. If the defendant successfully completes probation, the judge must dismiss the charges.

Under current law, the governor can grant pardons after conviction, but not after deferred adjudication. The proposed amendment would add the authority to grant pardons after deferred adjudication as well. All other requirements for pardons would remain the same.

When a pardon is granted, the criminal record may be expunged. A person who has completed deferred adjudication still has a criminal history record in the public domain.

Arguments For

- Proposition 9 would result in a more equitable policy on pardons and expunction of criminal records by offering the same opportunity to persons who have completed deferred adjudication as to persons who have been convicted. The governor would still have discretion about whether to grant a pardon.
- Even though charges are dismissed after successful adjudication, the criminal history record remains and may be a barrier in obtaining employment, housing or admission to schools.

Arguments Against

- The record of deferred adjudication accurately states that the probation was completed and the charges were dismissed.
- Expunction of a record of deferred adjudication would restrict public access to criminal history record information.

PROPOSITION 10

Official Ballot Language

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.

Explanation

Under current law, if certain elected district or county office holders with more than one year left on their current terms announce for or become candidates for another office, they automatically resign from their current office. This "resign-to-run" provision was added to the Constitution in 1958 after the terms for certain officials were changed from two to four years. With a one-year unexpired term, it provided a window for elected officials to file for office by January 2 for an election within the same calendar year without resigning their offices.

Because Senate Bill 100 changed the filing deadline for offices from January 2 of the primary election year to the second Monday in December of the preceding year, the one-year unexpired term no longer allowed the same opportunity for office holders to continue in their current office while running for a new office. Proposition 10 would change the length of the unexpired term that causes the automatic resignation from one year to one year and 30 days, thus preserving the original intent of the provision.

Arguments For

- Most candidates for elected office need to have paid employment. Proposition 10 would allow them to maintain their income while running for office, and would allow the current office to be covered with an experienced person during that time, eliminating unnecessary vacancies and the need for temporary appointments to complete the term.

Arguments Against

- Candidates should not hold elected district or county positions while running for other offices.

REGISTER TO VOTE

You must register to vote at least 30 days before the election date. The last day you can register to vote in the 2011 Constitutional Amendment Election is October 11.

To register to vote, you must be a citizen of the United States, a resident of the county, and at least 18 years old on Election Day. You must not have been declared mentally incapacitated by a court of law. If you have been convicted of a felony, you may register to vote only after you have completed the punishment phase of your conviction, including any terms of incarceration, parole, supervision, or period of probation ordered by the court.

You can register in person at the voter registration office in your county, or fill out an application that can be mailed or returned in person to the voter registrar in your county of residence. Application forms are available at many libraries, government offices and high schools. The application is available online at the Secretary of State's voter information website, www.votexas.org. The website also allows you to search to see if you are already registered.

After you apply, a voter registration certificate will be mailed to you within 30 days. This certificate includes your precinct for voting on Election Day as well as your congressional, state legislative, county, and local districts.

The registration will remain in effect until you move and a new certificate will be sent to you every two years without further application on your part. If you move, however, your registration certificate will not be forwarded to your new address. If you move within the same county, you must notify your county clerk or election administrator in writing of your new address as soon as possible. Then a new certificate will be mailed to you. If you move to another county, you must re-register by applying to the election office in your new county.

WHAT TO TAKE TO THE POLLS

When you go to vote, take your registration certificate with you. If you do not provide a voter registration certificate, you may vote by providing some other form of identification and signing an affidavit at the polls. You will be allowed to vote if your name appears on the rolls in your county of residence. The following are acceptable forms of identification for the November 8, 2011, election:

- Drivers license
- Personal identification card issued by the Dept. of

Public Safety

- Another form of identification containing your photograph
- Birth certificate
- United States citizenship papers
- United States passport
- Official mail addressed to you from a governmental entity
- Pay check that shows your name and address
- Current utility bill
- Bank statement
- Government check, or other government document that shows your name and address.

Note: Beginning with elections in 2012, voters will be required to show a photo ID; many of the IDs listed above will not be accepted for voting in 2012. See "Photo Voter ID for 2012" for the list of photo IDs that will be accepted in 2012.

WHERE TO VOTE

All registered voters may vote early by personal appearance at any early voting location in their county. Check with your local newspaper or the county clerk or election administrator for early voting times and locations. Early voting days for the November 8, 2011, General Election are October 24-November 4.

Election Day you must vote in your precinct of residence (unless your area is participating in a countywide vote center trial). Your precinct is listed on your registration card, or you may find out where to vote by calling or going online with your county election administrator (the League provides county web links at www.lwvtexas.org). Voting places are also listed in most newspapers. If you report to the incorrect polling place, you will be redirected to the correct site or offered a provisional ballot. You can vote by provisional ballot, but if it is determined that you are not registered in the precinct where you vote, your ballot will not be counted by Texas law. More information on provisional voting appears on the Texas Secretary of State website www.sos.state.tx.us.

HELPFUL WEBSITES

Secretary of State

www.sos.state.tx.us

www.votexas.org

Texas Legislature Online

www.legis.state.tx.us

LWV-Texas

www.lwvtexas.org

PHOTO VOTER ID FOR 2012

The Texas Legislature passed a law creating a new photo voter identification requirement for voter qualification in all elections in Texas beginning **January 1, 2012**, if pre-clearance from the Department of Justice or D.C. District Court is obtained. Contact the Secretary of State's Office www.sos.state.tx.us or your county elections department for more information.

The new law requires all voters to present one of the following forms of photo identification to vote in person:

- Driver's license, election identification certificate, personal identification card, or concealed handgun license issued by the Texas Dept. of Public Safety;
- U.S. military identification card containing the person's photograph;
- U.S. citizenship certificate containing the person's photograph; or
- U.S. passport.

With the exception of the U.S. citizenship certificate, the identification must be current or have expired no more than 60 days before being presented for voter qualification at the polling place. The name on the photo ID should match the name on the voter registration.

A voter who does not present an acceptable photo ID will be allowed to vote a provisional ballot and must provide acceptable photo ID within six days of the election and be otherwise eligible in order for the provisional ballot to be counted.

Disabled voters can obtain a voter registration certificate exempting them from the photo ID requirement by providing evidence of disability from Social Security or Veterans Affairs and stating that they do not have one of the acceptable photo IDs. Those who lack a photo ID because of a religious objection to being photographed or because of a natural disaster declared by the president will be allowed to vote a provisional ballot and complete an affidavit within six days of the election.

The new law creates a form of photo identification called an election identification certificate to be issued by the Texas Dept. of Public Safety. Effective January 1, 2012, registered voters or those eligible to register who do not have a required form of photo identification may apply for the election identification certificate. There is no fee for the certificate.

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Open to men and women of all ages, the 29 local Leagues across Texas shape the important issues in our communities and in state government. All of us together can *Make Democracy Work!*

For information about LWV-Texas, our local Leagues, or our educating and advocacy efforts, visit the League's website at www.lwvtexas.org. Your tax-deductible contributions to the LWV-Texas Education Fund support expanded distribution of this and other *Voters Guides*.



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(512) 472-1100 or
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