

**OFFICIAL JOURNAL
of the
CONSTITUTIONAL CONVENTION
of the
STATE OF TEXAS**

TWELFTH DAY
(Monday, January 28, 1974)

DISCLOSURE OF PERSONAL INTEREST
IN ACCORDANCE WITH
PROVISIONS OF RULE IX, SECTION 2

January 14, 1974

Mr. Charles A. Schnabel
Secretary, Constitutional Convention of 1974
Austin, Texas

Dear Mr. Schnabel:

I am one of the principal stockholders, a member of the Board of Directors, and General Counsel for the Bank of the West, a State chartered bank in Lubbock County, Lubbock, Texas.

In the present Constitution, which is a vehicle for this Convention, the Constitutional Revision Commission document which was filed as Proposal No. 1 with this Convention, there are sections dealing with banks and banking.

This is to advise, because of my ownership, directorship, and my position as General Counsel for said bank, I have a personal and private interest in these sections dealing with banks and banking.

Respectfully submitted,

H. J. Blanchard
Delegate

**CONSTITUTIONAL CONVENTION PROPOSALS
AND RESOLUTIONS REFERRED**

The following Constitutional Convention Proposals and Resolutions were referred to the Committee indicated:

CONSTITUTIONAL CONVENTION PROPOSAL 111

By Delegate Williamson:

To Committee on Finance.

C.C.P. 111, A PROPOSAL FOR INCORPORATION
IN THE CONSTITUTION OF TEXAS

Relating to welfare expenditures.

BE IT PROPOSED BY THE CONSTITUTIONAL

CONVENTION OF TEXAS:

That the following section be included in the appropriate article:

Section _____. WELFARE. (a) The Legislature may appropriate public money to provide services, either directly or by grant for their purchase, to individuals and families needing assistance if the services are authorized by federal law and if the federal government contributes to the cost of providing the services.

(b) The Legislature may not appropriate more than 2.5 percent of the total state budget in any one fiscal year to provide grants for individuals and families needing assistance.

CONSTITUTIONAL CONVENTION PROPOSAL 112

By Delegate Williamson:

To Committee on Finance.

C.C.P. 112, A PROPOSAL FOR INCORPORATION
IN THE CONSTITUTION OF TEXAS

Relating to grants of public money and
welfare expenditures.

BE IT PROPOSED BY THE CONSTITUTIONAL
CONVENTION OF TEXAS:

That the following sections be included in the appropriate article:

Section _____. GRANTS OF PUBLIC MONEY PROHIBITED; EXCEPTIONS. The Legislature shall have no power to make any grant or authorize the making of any grant of public moneys to any individual, association of individuals, municipal or other corporations whatsoever; provided that the provisions of this Section shall not be construed so as to prevent the grant of aid in cases of public calamity.

Section _____. ASSISTANCE GRANTS AND MEDICAL CARE FOR NEEDY AGED, DISABLED AND BLIND PERSONS, AND NEEDY CHILDREN; FEDERAL FUNDS; SUPPLEMENTAL APPROPRIATIONS. The Legislature shall have the power, by general laws, to provide, subject to limitations herein contained, and such other limitations, restrictions and regulations as may by the Legislature be deemed expedient, for assistance grants to and/or medical care for, and for rehabilitation and any other services included in the federal laws as they now read or as they may hereafter be amended, providing matching funds to help such families and individuals attain or retain capability for independence or self-care, and for the payment of assistance grants to and/or medical care for, and for rehabilitation and other services to or on behalf of:

- (1) Needy aged persons;
- (2) Needy individuals who are totally and permanently disabled by reason of a mental or physical handicap or a combination of physical and mental handicaps;
- (3) Needy blind persons;
- (4) Needy dependent children and the caretakers of such children.

The Legislature may prescribe such other eligibility requirements for participation in these programs as it deems appropriate.

The Legislature shall have authority to

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enact appropriate legislation which will enable the State of Texas to cooperate with the Government of the United States in providing assistance to and/or medical care on behalf of needy persons, in providing rehabilitation and any other services included in the federal laws making matching funds available to help such families and individuals attain or retain capability for independence or self-care, to accept and expend funds from the Government of the United States for such purposes in accordance with the laws of the United States as they now are or as they may hereafter be amended, and to make appropriations out of State funds for such purposes; provided that the maximum amount paid out of State funds to or on behalf of any needy person shall not exceed the amount that is matchable out of federal funds; provided that the total amount of such assistance payments only out of State funds on behalf of such individuals shall not exceed 2.5 percent of the total State budget during any fiscal year.

Provided further, that if the limitations and restrictions herein contained are found to be in conflict with the provisions of appropriate federal statutes, as they now are or as they may be amended to the extent that federal matching money is not available to the State for these purposes, then and in that event the Legislature is specifically authorized and empowered to prescribe such limitations and restrictions and enact such laws as may be necessary in order that such federal matching money will be available for assistance and/or medical care for or on behalf of needy persons.

Nothing in this Section shall be construed to amend, modify, or repeal Section ___ of Article ___ of this Constitution; provided further, however, that such medical care, services, or assistance shall also include the employment of objective or subjective means, without the use of drugs, for the purpose of ascertaining and measuring the powers of vision of the human eye, and fitting lenses or prisms to correct or remedy any defect or abnormal condition of vision. Nothing herein shall be construed to permit optometrists to treat the eyes for any defect whatsoever in any manner nor to administer nor to prescribe any drug or physical treatment whatsoever, unless such optometrist is a regularly licensed physician or surgeon under the laws of this State.

CONSTITUTIONAL CONVENTION PROPOSAL 113

By Delegate Williamson:

To Committee on Finance.

C.C.P. 113, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to grants of public money and welfare expenditures.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That the following sections be included in the appropriate article:

Section _____. GRANTS OF PUBLIC MONEY

PROHIBITED; EXCEPTIONS. The Legislature shall have no power to make any grant or authorize the making of any grant of public moneys to any individual, association of individuals, municipal or other corporations whatsoever; provided that the provisions of this Section shall not be construed so as to prevent the grant of aid in cases of public calamity.

Section _____. ASSISTANCE GRANTS AND MEDICAL CARE FOR NEEDY AGED, DISABLED AND BLIND PERSONS, AND NEEDY CHILDREN; FEDERAL FUNDS; SUPPLEMENTAL APPROPRIATIONS. The Legislature shall have the power, by general laws, to provide, subject to limitations herein contained, and such other limitations, restrictions and regulations as may by the Legislature be deemed expedient, for assistance grants to and/or medical care for, and for rehabilitation and any other services included in the federal laws as they now read or as they may hereafter be amended, providing matching funds to help such families and individuals attain or retain capability for independence or self-care, and for the payment of assistance grants to and/or medical care for, and for rehabilitation and other services to or on behalf of:

(1) Needy aged persons;

(2) Needy individuals who are totally and permanently disabled by reason of a mental or physical handicap or a combination of physical and mental handicaps;

(3) Needy blind persons;

(4) Needy dependent children and the caretakers of such children.

The Legislature may prescribe such other eligibility requirements for participation in these programs as it deems appropriate.

The Legislature shall have authority to enact appropriate legislation which will enable the State of Texas to cooperate with the Government of the United States in providing assistance to and/or medical care on behalf of needy persons, in providing rehabilitation and any other services included in the federal laws making matching funds available to help such families and individuals attain or retain capability for independence or self-care, to accept and expend funds from the Government of the United States for such purposes in accordance with the laws of the United States as they now are or as they may hereafter be amended, and to make appropriations out of State funds for such purposes; provided that the maximum amount paid out of State funds to or on behalf of any needy person shall not exceed the amount that is matchable out of federal funds; provided that the total amount of such assistance payments only out of State funds on behalf of such individuals shall not exceed the amount of eighty million dollars during any fiscal year.

Provided further, that if the limitations and restrictions herein contained are found to be in conflict with the provisions of appropriate federal statutes, as they now are or as they may be amended to the extent that federal matching money is not available to the State for these purposes, then and in that event the Legislature is specifically authorized and empowered to prescribe such limitations and restrictions and enact such laws as may be necessary in order that such federal matching money will

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be available for assistance and/or medical care for or on behalf of needy persons.

Nothing in this Section shall be construed to amend, modify, or repeal Section ___ of Article ___ of this Constitution; provided further, however, that such medical care, services, or assistance shall also include the employment of objective or subjective means, without the use of drugs, for the purpose of ascertaining and measuring the powers of vision of the human eye, and fitting lenses or prisms to correct or remedy any defect or abnormal condition of vision. Nothing herein shall be construed to permit optometrists to treat the eyes for any defect whatsoever in any manner nor to administer nor to prescribe any drug or physical treatment whatsoever, unless such optometrist is a regularly licensed physician or surgeon under the laws of this State.

CONSTITUTIONAL CONVENTION PROPOSAL 114

By Delegate Williamson:

To Committee on Finance.

C.C.P. 114, A PROPOSAL FOR INCORPORATION
IN THE CONSTITUTION OF TEXAS

Relating to grants of public money and
welfare expenditures.

BE IT PROPOSED BY THE CONSTITUTIONAL
CONVENTION OF TEXAS:

That the following sections be included
in the appropriate article:

Section ____ GRANTS OF PUBLIC MONEY
PROHIBITED; EXCEPTIONS. The Legislature
shall have no power to make any grant or
authorize the making of any grant of public
moneys to any individual, association of
individuals, municipal or other corporations
whatsoever; provided that the provisions of
this Section shall not be construed so as to
prevent the grant of aid in cases of public
calamity.

Section ____ ASSISTANCE GRANTS AND
MEDICAL CARE FOR NEEDY AGED, DISABLED AND
BLIND PERSONS, AND NEEDY CHILDREN; FEDERAL
FUNDS; SUPPLEMENTAL APPROPRIATIONS. The
Legislature shall have the power, by general
law, to provide, subject to limitations
herein contained, and such other limitations,
restrictions and regulations as may by the
Legislature be deemed expedient, for
assistance grants to and/or medical care for,
and for rehabilitation and any other services
included in the federal laws as they now read
or as they may hereafter be amended,
providing matching funds to help such
families and individuals attain or retain
capability for independence or self-care, and
for the payment of assistance grants to
and/or medical care for, and for
rehabilitation and other services to or on
behalf of:

- (1) Needy aged persons;
- (2) Needy individuals who are totally
and permanently disabled by reason of a
mental or physical handicap or a combination
of physical and mental handicaps;
- (3) Needy blind persons;
- (4) Needy dependent children and the

caretakers of such children.

The Legislature may prescribe such other
eligibility requirements for participation in
these programs as it deems appropriate.

The Legislature shall have authority to
enact appropriate legislation which will
enable the State of Texas to cooperate with
the Government of the United States in
providing assistance to and/or medical care
on behalf of needy persons, in providing
rehabilitation and any other services
included in the federal laws making matching
funds available to help such families and
individuals attain or retain capability for
independence or self-care, to accept and
expend funds from the Government of the
United States for such purposes in accordance
with the laws of the United States as they
now are or as they may hereafter be amended,
and to make appropriations out of state funds
for such purposes; provided that the maximum
amount paid out of state funds to or on
behalf of any needy person shall not exceed
the amount that is matchable out of federal
funds; provided that the total amount of such
assistance payments only out of State funds
on behalf of such individuals shall not
exceed the amount of one hundred million
dollars during any fiscal year.

Provided further, that if the
limitations and restrictions herein contained
are found to be in conflict with the
provisions of appropriate federal statutes,
as they now are or as they may be amended to
the extent that federal matching money is not
available to the state for these purposes,
then and in that event the Legislature is
specifically authorized and empowered to
prescribe such limitations and restrictions
and enact such laws as may be necessary in
order that such federal matching money will
be available for assistance and/or medical
care for or on behalf of needy persons.

Nothing in this Section shall be
construed to amend, modify or repeal
Section ____ of Article ____ of this
Constitution; provided further, however, that
such medical care, services or assistance
shall also include the employment of
objective or subjective means, without the
use of drugs, for the purpose of ascertaining
and measuring the powers of vision of the
human eye, and fitting lenses or prisms to
correct or remedy any defect or abnormal
condition of vision. Nothing herein shall be
construed to permit optometrists to treat the
eyes for any defect whatsoever in any manner
nor to administer nor to prescribe any drug
or physical treatment whatsoever, unless such
optometrist is a regularly licensed physician
or surgeon under the laws of this State.

CONSTITUTIONAL CONVENTION PROPOSAL 118

By Delegate Sage:

To Committee on General Provisions.

C.C.P. 118, A PROPOSAL FOR INCORPORATION
IN THE CONSTITUTION OF TEXAS

Relating to environmental protection and
conservation of all natural resources.

BE IT PROPOSED BY THE CONSTITUTIONAL
CONVENTION OF TEXAS:

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That Article X, Section 10, reads as follows:

"Section 10. Environment.

"The natural resources of this State, including air and public waters, shall be maintained and used in the public interest; and the Legislature shall enact such laws as may be required to these ends."

CONSTITUTIONAL CONVENTION PROPOSAL 119

By Delegate Thompson:

To Committee on Education.

C.C.P. 119, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to prohibition of discrimination.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That the following section be included in Article VII:

Section ____ PROHIBITION OF DISCRIMINATION. No funds, bonds, revenues, or other property set apart or appropriated for the support of public education shall be restricted in any way on the basis of race, sex, religion, age, or national origin.

CONSTITUTIONAL CONVENTION PROPOSAL 120

By Delegate Reynolds:

To Committee on Finance.

C.C.P. 120, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to highway-user revenues.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That Article VIII, Section 3, read as follows:

Section 3. HIGHWAY-USER REVENUES. (a) Except as provided in Subsection (b) and subject to legislative appropriation, allocation, and direction, all net revenues from motor vehicle registration fees and three-fourths of net revenues from all taxes on fuels and lubricants used to propel motor vehicles over public roadways, except gross production and ad valorem taxes, shall be deposited in the State Highway Fund. Such revenues shall be used solely for acquiring rights-of-way, constructing and maintaining a State highway system; for policing public roadways; and for administering laws pertaining to the supervision of traffic and safety on public roadways. One-fourth of net revenues from these taxes shall be allocated to the Available School Fund. The net revenue derived by counties from motor vehicle registration fees shall never be less than the maximum amounts allowed to be retained by each county, or less than the percentage allowed to be retained, under the laws in effect at the time of adoption of this Constitution.

(b) That portion of the net revenues

from all taxes on fuels and lubricants used to propel motor vehicles over public roadways, except gross production and ad valorem taxes, derived from any increase in the respective rates of these taxes over the rates in effect at the time of adoption of this Constitution may be allocated as provided by law.

CONSTITUTIONAL CONVENTION PROPOSAL 121

By Delegate Willis:

To Committee on Finance.

C.C.P. 121, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to tax exemptions for veteran's organizations.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That the Article on finance include a provision to read as follows:

Section ____ The Legislature by general law may exempt from ad valorem taxation property:

(1) owned by organizations chartered by the State of Texas and the United States whose membership is composed exclusively of former members of the armed services of the United States; and

(2) used exclusively for veteran's purposes.

CONSTITUTIONAL CONVENTION PROPOSAL 122

By Delegate Willis:

To Committee on Finance.

C.C.P. 122, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to authorizing the Legislature to provide certain tax exemptions from all ad valorem taxes for certain residence homesteads of persons 65 years old or older.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That a provision be included in Article VIII to read as follows:

Section ____ Subject to such exclusions, limitations, and classifications as are provided by general law, the Legislature may exempt from all ad valorem taxes three thousand dollars of the assessed value of a residence homestead of persons sixty-five years of age or older.

CONSTITUTIONAL CONVENTION PROPOSAL 123

By Delegates Hubenak, Wieting, Wilson, Bock, Tarbox, Bigham, Madla, Poerner, Rosson, Short, Montoya, Uher, Martin and Cates:

To Committee on Finance.

C.C.P. 123, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to the assessment of agricultural land.

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BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That Article VIII, Section 1, read as follows:

Section 1. TAXATION. (a) Taxes shall be levied and collected by general law.

(b) The Legislature shall provide by statute for the valuation and taxation of land devoted to agricultural purposes in accordance only with those factors relating to the productive capacity of the land for such purposes.

CONSTITUTIONAL CONVENTION PROPOSAL 124

By Delegate Clower:

To Committee on the Executive.

C.C.P. 124, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to the establishment of a State Utilities Commission.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That following Section 23 of Article IV there be inserted a section to read as follows, and that all subsequent sections of that article be renumbered accordingly:

Section 24. STATE UTILITIES COMMISSION
The Legislature shall, at the next regular session following adoption of this Constitution, provide for the regulation by the State of all utilities in the State, except for those owned and operated by municipalities, water districts, or other lesser governmental bodies. Such regulation shall be within the responsibility and domain of the Executive Department.

CONSTITUTIONAL CONVENTION PROPOSAL 125

By Delegate Schwartz:

To Committee on General Provisions.

C.C.P. 125, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to lotteries.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That the appropriate article of the Texas Constitution be amended as follows:

"Sec. ____ The Legislature shall pass laws prohibiting the establishment of lotteries and gift enterprises in this State, as well as the sale of tickets in lotteries, gift enterprises or other evasions involving the lottery principle, established or existing in other States, except that such prohibition shall not apply to games authorized by legislative enactment and defined as lotteries which are conducted in this State for the benefit of a church, religious society, veteran's organization, or other nonprofit charitable organization when all proceeds are expended in this State for

the purposes of the church, religious society, veteran's organization, or other nonprofit charitable organization.

"(a) Any such authorized lottery must be operated for the benefit of the organization or charitable purpose and the entire proceeds of the lottery must go to the organization or charitable purpose.

"(b) The lottery games permitted must be played on property owned by the operating agency."

CONSTITUTIONAL CONVENTION PROPOSAL 126

By Delegate Hudson:

To Committee on Local Government.

C.C.P. 126, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to the election of governing bodies of political subdivisions.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That the following section be included in Article IX:

Section ____ SINGLE-MEMBER DISTRICTS.
(a) This section applies to all political subdivisions that have a population of 10,000 or more. It does not apply to counties.

(b) Members of the governing body of each political subdivision covered by this section shall be elected from single-member electoral districts. This does not prohibit the election at large of the presiding officer of the governing body.

CONSTITUTIONAL CONVENTION PROPOSAL 127

By Delegate Hudson:

To Committee on General Provisions.

C.C.P. 127, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to the personal right of physical integrity.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That the following section be included in the appropriate article:

Section ____ RIGHT OF PHYSICAL INTEGRITY. In order to protect the physical integrity of each person in this State, it is expressly provided that no person may be subjected or exposed to physical or medical experimentation, or medical or surgical procedures, not reasonably necessary to the person's physical health, without the person's informed consent. The Legislature shall pass appropriate laws to enforce the right conferred in this section.

CONSTITUTIONAL CONVENTION PROPOSAL 128

By Delegate Hernandez:

To Committee on the Legislature.

C.C.P. 128, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

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Relating to conflict of interest involving members of the Legislature.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That the following section be included in Article III:

Section 10. CONFLICT OF INTEREST. (a) No member may vote for the appointment of another member to any office filled by the Legislature.

(b) During the term for which elected a member shall be ineligible for (1) any civil office of profit under this State which shall have been created, or the emoluments of which may have been increased, during such term, or (2) any office or position the appointment to which may be made, in whole or in part, by either house of the Legislature. The ineligibility shall terminate on the last day in December of the last full calendar year of the term for which the member was elected.

(c) A member privately interested in a bill, resolution, or other matter before the Legislature shall disclose the interest and shall not vote on the bill, resolution, or other matter.

(d) No member may have a pecuniary interest in any contract with the State.

CONSTITUTIONAL CONVENTION PROPOSAL 129

By Delegates Vecchio and Garcia:

To Committee on the Executive.

C.C.P. 129, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to the removal power of the Governor.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That the following section be included in the Executive Article:

Section _____. GOVERNOR--REMOVALS. The Governor may remove for incompetence, neglect of duty, or malfeasance in office any officer who may be appointed by the Governor.

CONSTITUTIONAL CONVENTION PROPOSAL 130

By Delegates Vecchio and Garcia:

To Committee on the Executive.

C.C.P. 130, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to the duties of the Lieutenant Governor.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That the following section be included in the Executive Article:

Section _____. LIEUTENANT GOVERNOR--DUTIES. The Lieutenant Governor shall perform the duties and exercise the powers in the Executive Branch that may be delegated to him by the Governor and that may

be prescribed by law.

CONSTITUTIONAL CONVENTION PROPOSAL 131

By Delegates Vecchio and Garcia:

To Committee on the Executive.

C.C.P. 131, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to the joint election of a Governor and Lieutenant Governor.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That the following section be included in the Executive Article:

Section _____. JOINT ELECTION. In the general election for Governor and Lieutenant Governor, one vote shall be cast jointly for the candidates nominated by the same political party. The Legislature may provide by law for the joint nomination of candidates for Governor and Lieutenant Governor.

CONSTITUTIONAL CONVENTION PROPOSAL 132

By Delegate Finney:

To Committee on General Provisions.

C.C.P. 132, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to pension and retirement systems.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That the section on pension and retirement systems read as follows:

Section _____. RETIREMENT SYSTEMS. (a) The Legislature shall provide for the establishment and administration of retirement systems to manage and dispense retirement, disability, and death benefits for public employees and officials.

(b) Benefits dispensed to a member of a public retirement system must be reasonably related to the member's tenure and contributions to the system. Benefits shall be administered in accordance with sound actuarial principles.

(c) Benefit rights provided under retirement systems existing at the time of adoption of this Section may not be diminished or impaired. After the adoption of this Section, membership in any public retirement system is a contractual relationship, the benefits of which may not be diminished or impaired.

(d) The Legislature may not appropriate public funds to finance any retirement system created for the benefit of employees or officers of cities, counties, or other political subdivisions of the State, except that it shall appropriate public funds to finance a retirement system created for the benefit of employees or officers of public schools, colleges, and universities supported wholly or partly by the State.

(e) The amount contributed by any person participating in a State-supported retirement system may not exceed six percent

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of the yearly compensation paid to the person, and the amount contributed by the State shall be the amount actuarially determined to be required to fund benefits and shall be at least equal to the aggregate amount contributed each year by individual participants in the system.

CONSTITUTIONAL CONVENTION PROPOSAL 133

By Delegate Mengden:

To Committee on Local Government.

C.C.P. 133, A PROPOSAL FOR INCORPORATION
IN THE CONSTITUTION OF TEXAS

Relating to county and district officials.

BE IT PROPOSED BY THE CONSTITUTIONAL
CONVENTION OF TEXAS:

That Article IX, Section 3, read as follows:

Section 3. COUNTY AND DISTRICT OFFICIALS. (a) The governing body of each county, to be known as the County Commission, shall consist of a County Judge elected by the qualified voters of the county and four County Commissioners, each elected by the qualified voters from separate and compact precincts containing as nearly as practicable an equal number of inhabitants. The County Judge shall serve as presiding officer.

(b) A Sheriff, Treasurer, Tax Assessor-Collector, County Clerk, and District Clerk shall be elected for each county, except that a single County Clerk may be elected to perform the duties of county and district clerk as provided by law.

(c) County Attorneys, District Attorneys, and Criminal District Attorneys shall be elected in such numbers and for such counties as provided by law.

(d) The County Commission may provide for the election of one or more Constables.

(e) The qualifications, duties, and functions of county officials and the grounds and procedure for disqualification, suspension, and removal shall be as provided by law.

(f) Notwithstanding any of the foregoing provisions, the qualified electors of a county, as provided by general law, may by charter, or by a majority vote of those voting on the question, alter the governing body, create additional offices, eliminate offices, combine the duties and functions of offices, and change the method of selection of any one or more county officials. In such an event the county shall provide for the performance of all duties and functions required by State law, and none of the duties or functions of the officers named in Subsections (a) through (d) of this Section may be transferred to an office not filled by a vote of the people.

(g) Vacancies in county offices shall be filled as provided by general law or charter. Vacancies in district offices shall be filled as provided by law.

CONSTITUTIONAL CONVENTION PROPOSAL 134

By Delegate McKinnon:

To Committee on General Provisions.

C.C.P. 134, A PROPOSAL FOR INCORPORATION
IN THE CONSTITUTION OF TEXAS

Relating to free and unrestricted right of ingress and egress to and from the state-owned beaches bordering the Gulf of Mexico.

BE IT PROPOSED BY THE CONSTITUTIONAL
CONVENTION OF TEXAS:

That the following Section be included
in Article X:

Section 22. PUBLIC BEACHES

The public shall have access to and from the public beaches bordering on the Gulf of Mexico as provided by law.

CONSTITUTIONAL CONVENTION PROPOSAL 135

By Delegate Williamson:

To Committee on General Provisions.

C.C.P. 135, A PROPOSAL FOR INCORPORATION
IN THE CONSTITUTION OF TEXAS

Relating to coastal natural resources.

BE IT PROPOSED BY THE CONSTITUTIONAL
CONVENTION OF TEXAS:

That the following section be included
in the appropriate article:

Section ____ COASTAL NATURAL RESOURCES. In order to preserve the coastal natural resources of this State for the public, including future generations, the State holds in trust for the public and may not sell the State-owned beaches, islands, or submerged lands bordering or within the Gulf of Mexico.

CONSTITUTIONAL CONVENTION PROPOSAL 136

By Delegate Calhoun:

To Committee on Finance.

C.C.P. 136, A PROPOSAL FOR INCORPORATION
IN THE CONSTITUTION OF TEXAS

Proposing an Article VIII on finance.

BE IT PROPOSED BY THE CONSTITUTIONAL
CONVENTION OF TEXAS:

That Article VIII read as follows:

ARTICLE VIII. FINANCE

PART A. TAXATION

Section 1. GENERAL LIMITATIONS. (a) Taxes shall be levied and collected by general law only and spent for public purposes only. [VIII, Sec. 3]

(b) Taxation shall be equal and uniform. [VIII, Sec. 1, sen. 1; Sec. 2(a), cl. 1]

(c) All property in the State, except property owned by a municipality, shall be taxed. [VIII, Sec. 1, sen. 2]

(d) A county, city, or town may not tax occupations unless the State does, and then not to exceed one-half of the State tax. [VIII, Sec. 1, sen. 5, cl. 4]

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(e) The power to tax corporations may not be surrendered, suspended, or contracted away. [VIII, Sec. 4]

Section 2. STATE AD VALOREM TAXATION. Except for the higher education institutions building tax levied in Article VII, no ad valorem tax may be levied for State purposes after December 31, 1978. [VIII, Sec. 1-e, Para. 1]

Section 3. COUNTY AD VALOREM TAXATION. (a) The aggregate county ad valorem tax rate for general, jury, permanent improvement, and road and bridge fund purposes may not exceed eighty cents on the one hundred dollar valuation in any one year. The commissioners court shall levy the separate tax rates necessary for each of the four funds, not to exceed in the aggregate eighty cents on the one hundred dollar valuation, and once levied each rate remains in effect throughout the taxable year. Tax revenue may be deposited in a single general fund, or in any combination of a general fund and the other three funds, without regard to the fund for which they were levied. [VIII, Sec. 9, sen. 1, cl. 2 and 3; sen. 2, cl. 1; sen. 3]

(b) Counties may levy an ad valorem tax, at a rate not to exceed fifteen cents on the one hundred dollar valuation in any one year, for road maintenance. This tax may not be levied unless a majority of qualified voters residing in the county vote to approve the tax at an election called for that purpose. The Legislature may pass local laws for the maintenance of public roads and highways without the local notice required for local and special laws. [VIII, Sec. 9, sen. 2, cl. 2; sen. 4]

(c) Counties may levy an ad valorem tax, at a rate not to exceed thirty cents on the one hundred dollar valuation in any one year, for constructing and maintaining farm-to-market roads and for flood control. [VIII, Sec. 1-a, Para. 1, sen. 2]

Section 4. OTHER STATE TAXES. (a) The Legislature may impose occupation taxes upon both natural persons and upon corporations, other than municipal doing business in this State. [VIII, Sec. 1, sen. 4]

(b) The Legislature may impose taxes on the incomes of both natural persons and corporations. [VIII, Sec. 1, sen. 5, cl. 1]

Section 5. AUTOMATIC EXEMPTIONS. (a) Except as provided elsewhere in this Constitution, publicly owned property devoted exclusively to public use is exempt from ad valorem taxation. [XI, Sec. 9 (part)]

(b) Two hundred and fifty dollars worth of household furniture owned by a family is exempt from ad valorem taxation. [VIII, Sec. 1, sen. 5, cl. 3]

(c) Three thousand dollars of the assessed value of the residential homestead of a married or unmarried adult, including one living alone, is exempt from ad valorem taxation for State and county purposes. [VIII, Sec. 1-b(a); Sec. 1-c]

(d) Farm products in the hands of the producer and family supplies for home and farm use are exempt from ad valorem taxation unless the Legislature by two-thirds vote of the membership of both houses provides otherwise. [VIII, Sec. 19]

(e) Mechanical and agricultural occupations are exempt from occupation

taxation. [VIII, Sec. 1, sen. 5, cl. 2]

Section 6. DISCRETIONARY EXEMPTIONS.

(a) The Legislature by general law may exempt the following from ad valorem taxation:

(1) property used for religious worship;

(2) a reasonable amount of property, including not more than one acre of land, owned by a church or strictly religious society and used exclusively as a dwelling place for its ministry if the property produces no revenue for the church or religious society;

(3) property owned by institutions of purely public charity and used exclusively for charitable purposes;

(4) property owned and used exclusively for school purposes by persons or associations of persons, all of whom operate the school;

(5) property used for burial and not held for profit;

(6) a reasonable amount of property owned by an association operating under a State or national charter and used exclusively to promote the religious, educational, and physical development of young people;

(7) endowment funds owned by institutions of learning or religion and used exclusively for educational or religious purposes;

(8) property securing indebtedness owned by an endowment fund described in subdivision (7) that was acquired by the institution to satisfy or protect the indebtedness, but the property is exempt from taxation only for two years after its acquisition. [VIII, Sec. 2(a)]

(b) The Legislature by general law may exempt from ad valorem taxation property owned by a disabled veteran, by the surviving spouse and minor children of a disabled veteran, or by the surviving spouse and minor children of a member of the armed forces of the United States who dies on active duty. A disabled veteran is a veteran of the armed forces of the United States classified as disabled, with a disability rating of ten percent or greater, by the Veterans Administration, its successor, or by the military service in which he served. The Legislature may grant—

an exemption for a disability rating of not to exceed at least but not greater than

| | | |
|---------|-----|------|
| \$1,500 | 10% | 30% |
| 2,000 | 31 | 50 |
| 2,500 | 51 | 70 |
| 3,000 | 71 | 100. |

The Legislature may grant an exemption not to exceed three thousand dollars to a disabled veteran who is sixty-five or older, who has lost, or lost the use of, a limb, who is blind in one or both eyes, or who is paraplegic. The Legislature may grant to the surviving spouse and minor children of a deceased disabled veteran the same exemption to which the veteran was entitled when he died. The Legislature may grant an exemption not to exceed two thousand five hundred dollars to the surviving spouse and minor children of a member of the armed forces of the United States who dies on active duty. [VIII, Sec. 2(b)]

(c) A political subdivision of the State may exempt from ad valorem taxation at

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least three thousand dollars of the assessed value of the residential homestead of an individual sixty-five or older. The subdivision may also grant the exemption following a favorable vote by the qualified voters of the subdivision, at an election called by at least twenty percent of the number of voters who voted in the subdivision's last preceding election, on the proposition of whether and in what amount to grant the exemption. [VIII, Sec. 1-b(b)]

(d) All laws exempting property from taxation, other than the property authorized to be exempted in this Article, are void. [VIII, Sec. 2(a)]

Section 7. ASSESSMENT GENERALLY. All property subject to taxation shall be taxed in proportion to its value. Value shall be assessed in the manner prescribed by law, but no property may be assessed at a value greater than fair market value. [VIII, Sec. 1, sen. 2; Sec. 20, cl. 1]

Section 8. ASSESSMENT OF AGRICULTURAL LAND. (a) Agricultural land, exclusive of its mineral estate, owned by an individual shall be assessed on the basis of its agricultural use only.

(b) "Agricultural land" is land so designated under this Section because, for at least three years immediately preceding its designation, it was devoted exclusively to or developed continuously for raising livestock or products of the soil as a business for profit, which business is the primary occupation and source of income of the owner.

(c) A landowner seeking the agricultural land designation shall file with the local assessor a sworn, written statement describing the land's use, his occupation, and sources of income. The assessor may inspect the land to determine its use. If the assessor designates the land as agricultural, he shall assess it in accordance with Subsection (a).

(d) If land loses its agricultural designation, or is sold, it is subject to an additional tax equal to the difference between the tax payable under this Section and the tax that would have been payable for the preceding three years without the agricultural land designation. [VIII, Sec. 1-d]

Section 9. ASSESSMENT LIEN. The annual tax assessment of land constitutes a special lien on the land. [VIII, Sec. 15]

Section 10. PAYMENT. (a) The Legislature may provide discounts for early payment of ad valorem taxes. If taxes are paid at least ninety days or more before delinquent, the discount is three percent; if paid at least sixty days before delinquent, the discount is two percent; and if paid at least thirty days before delinquent, the discount is one percent. [VIII, Sec. 20, cl. 2]

(b) Fees paid by the State both for assessing and collecting State ad valorem taxes may not exceed two percent of the State taxes collected. [VIII, Sec. 1-e, Para. 5]

Section 11. REDEMPTION. (a) Real property sold for taxes may be redeemed by the former owner, within two years from the date the purchaser's tax deed is filed for record, upon payment of the amounts described in Subsection (b).

(b) To redeem real property during the first year following its sale for taxes, the former owner must pay the sale price; a one dollar recording fee; taxes, penalties, and interest due on the property; costs of sale; and a special charge not exceeding twenty-five percent of the total of the preceding amounts. To redeem real property during the second year following its sale for taxes, the former owner must pay the sale price; a one dollar recording fee; taxes, penalties, and interest due on the property; costs of sale; and a special charge not exceeding fifty percent of the total of the preceding amounts. [VIII, Sec. 13 (part)]

Section 12. RELEASE. The Legislature, on two-thirds vote of the membership of both houses, may release State or county ad valorem taxes levied against property in a county, city, or town only if there has been a great public calamity in the county, city, or town. [VIII, Sec. 10]

Section 13. RAILROAD PROPERTY; LIABILITY TO MUNICIPAL TAXATION. All property of railroad companies, of whatever description, lying or being within the limits of any city or incorporated town within this State, shall bear its proportionate share of municipal taxation, and if any such property shall not have been heretofore rendered, the authorities of the city or town within which it lies, shall have power to require its rendition, and collect the usual municipal tax thereon, as on other property lying within said municipality. [VIII, Sec. 5]

Section 14. RAILROAD COMPANIES; ASSESSMENT AND COLLECTION OF TAXES. All property of railroad companies shall be assessed, and the taxes collected in the several counties in which said property is situated, including so much of the roadbed and fixtures as shall be in each county. The rolling stock may be assessed in gross in the county where the principal office of the company is located, and the county tax paid upon it, shall be apportioned by the Comptroller, in proportion to the distance such road may run through any such county, among the several counties through which the road passes, as a part of their tax assets. [VIII, Sec. 8]

Section 15. PLACE OF ASSESSMENT; VALUE OF PROPERTY NOT RENDERED BY OWNER. All property, whether owned by persons or corporations, shall be assessed for taxation, and the taxes paid in the county where situated, but the Legislature may, by a two-thirds vote, authorize the payment of taxes of nonresidents of counties to be made at the office of the Comptroller of Public Accounts. And all lands and other property not rendered for taxation by the owner thereof shall be assessed at its fair value by the proper officer. [VIII, Sec. 11]

Section 16. EQUALIZATION OF VALUATIONS; CLASSIFICATION OF LANDS. The Legislature shall provide for equalizing, as near as may be, the valuation of all property subject to or rendered for taxation (the county commissioners court to constitute a board of equalization); and may also provide for the classification of all lands with reference to their value in the several counties. [VIII, Sec. 18]

PART B. FISCAL ADMINISTRATION

Section 17. PUBLIC FUNDS. (a) The Legislature shall have no power to give or to

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lend, or to authorize the giving or lending, of the credit of the State in aid of, or to any person, association, or corporation, whether municipal or other, or to pledge the credit of the State in any manner whatsoever, for the payment of the liabilities, present or prospective, of any individual, association of individuals, municipal or other corporation whatsoever. [III, Sec. 50]

(b) Except as otherwise provided by this Constitution, the Legislature shall have no power to authorize any county, city, town, or other political corporation or subdivision of the State to lend its credit or to grant public money or thing of value in aid of, or to any individual, association, or corporation whatsoever, or to become a stockholder in such corporation, association, or company. [III, Sec. 52(a)]

(c) The State may not use public money or public credit to construct, maintain, or operate a toll road or turnpike. [III, Sec. 52-b]

(d) Public money and public credit shall be used for public purposes only. [XVI, Sec. 6, sen. 1]

Section 18. PUBLIC DEBT. The State's credit may not be obligated except to supply casual deficiencies in revenue, not to exceed two hundred thousand dollars at any one time, to defend the State in war, and to suppress insurrection. [III, Sec. 49]

Section 19. APPROPRIATIONS. (a) Money may not be withdrawn from the State Treasury except in accordance with specific appropriations made by statute. [VIII, Sec. 6, cl. 1]

(b) A statute appropriating money from the State Treasury expires two years after its effective date, or as provided in the Act, whichever period is the earlier. [VIII, Sec. 6, cl. 2 (part)]

Section 20. NO STATE DEFICIT SPENDING. (a) An appropriation in excess of the revenue estimate is not valid unless it is made in response to imperative public necessity and approved by four-fifths vote of the membership of each house.

(b) After a bill containing an appropriation passes both houses, but before it is presented to the Governor, it shall be presented to the Comptroller of Public Accounts, who shall determine whether the appropriation is within the revenue estimate. If it is, he shall so certify on the bill and forward it to the Governor. If the Comptroller finds that the appropriation will exceed the revenue estimate, he shall so certify on the bill and return it to the house of origin for action in compliance with this Section.

(c) The Comptroller of Public Accounts shall submit to the Governor and Legislature, when the latter convenes in regular or special session and at other times when necessary to show change, a statement under oath containing a balance sheet for the State Treasury at the end of the last fiscal period together with estimates of receipts and disbursements for the current fiscal year; a revenue estimate for the next fiscal period, based on existing law, showing anticipated receipts for all funds from all sources; and other information required by law. [III, Sec. 49a]

Section 21. NO DIVERSION OF SPECIAL FUNDS. The Legislature may not divert from its purpose a special fund created by this Constitution. [VIII, Sec. 7]

Section 22. ACCOUNTING. An accounting under oath of the receipt and expenditure of all public money shall be published annually in the manner prescribed by law. [XVI, Sec. 6(a), sen. 2]

PART C. DEDICATED FUNDS AND TAXES

Section 23. HIGHWAY-USER REVENUES. Subject to legislative appropriation, allocation, and direction, all net revenues from motor vehicle registration fees and three-fourths of net revenues from all taxes on fuels and lubricants used to propel motor vehicles over public roadways, except gross production and ad valorem taxes, shall be used solely for acquiring rights-of-way, constructing and maintaining, and policing public roadways; and for administering laws pertaining to the supervision of traffic and safety on public roadways. One-fourth of net revenues from these taxes shall be allocated to the Available School Fund. The net revenue derived by counties from motor vehicle registration fees shall never be less than the maximum amounts allowed to be retained by each county, or less than the percentage allowed to be retained, under the laws in effect at the time of adoption of this Constitution. [VIII, Sec. 7a]

Section 24. CERTAIN AD VALOREM TAXES. (a) After December 31, 1976, no State ad valorem tax for the purpose of paying Confederate and Texas Ranger pensions or for the building fund may be imposed.

(b) Prior to December 31, 1976, the Legislature may establish a trust fund solely for the benefit of widows of Confederate veterans and Texas Rangers and their widows who are eligible to receive disability or retirement pensions, and after such fund is established the ad valorem tax may not be levied. [VIII, Sec. 1-e(3)]

Section 25. USE OF DELINQUENT STATE AD VALOREM TAXES. Unless otherwise provided by the Legislature, after December 31, 1976, all delinquent State ad valorem taxes, including penalties and interest, less the costs of collection, shall be used for permanent improvement at institutions of higher education as authorized in Article VII. [VIII, Sec. 1-e(4)]

PART D. SPECIAL STATE BORROWING AUTHORITY

Section 26. GENERAL PROVISIONS GOVERNING STATE BONDS. (a) Bonds authorized by this part may bear interest, at a rate determined by the issuing authority, not to exceed a weighted annual average of six percent. [III, Sec. 65]

(b) Before bonds authorized by this part may be delivered to purchasers, the bonds and record pertaining to their issuance must be submitted to the Attorney General for his approval. When the Attorney General approves the bonds, they shall be registered by the Comptroller of Public Accounts. After approval by the Attorney General, registration by the Comptroller, and delivery to the purchasers, the bonds are incontestable and constitute general obligations of the State.

(c) Bonds authorized by this part shall be executed in the form, denominations, and upon terms prescribed by law. The issuing authority may issue them in such installments

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and at such times as it considers desirable. The bonds may not be sold for less than face value plus accrued interest.

(d) Money in a special fund created with proceeds from bonds authorized by this part shall be spent to retire the bonds, accomplish the purpose for which the bonds were issued, and pay expenses incurred to issue the bonds and administer the fund. Money in a special fund not needed for current obligations may be invested as prescribed by law. Money in a special fund not set aside to retire bonds, spent, or invested shall be deposited in the General Revenue Fund. [Compilation of general requirements for bonds]

Section 27. VETERANS' LAND BOARD; BONDS. (a) The Veterans' Land Board consists of the Commissioner of the General Land Office or, if he is absent or otherwise disabled, the Chief Clerk of the General Land Office; and two individuals, one with knowledge of veterans' affairs and one with knowledge of finance, appointed by the Governor with the advice and consent of two-thirds of the Senators present. The Commissioner of the General Land Office, or his substitute, serves as chairman of the Board. The appointed members of the Board serve four-year staggered terms.

(b) The Veterans' Land Board may sell bonds aggregating not more than five hundred million dollars to purchase land for resale to veterans. Before these bonds may be sold to anyone else, the Board must offer them to the State Public School Fund, County Public School Fund, University Fund, and Teacher Retirement, Disability, and Death Compensation Fund.

(c) The Veterans' Land Fund consists of proceeds from the sale of these bonds, land purchased with the proceeds, proceeds (including interest and penalties) from the sale of the land, income from the land, and income from investment of the Fund.

(d) The Board as prescribed by law shall administer the Fund and use the money in it to purchase land for resale to veterans. The Board may invest money in the Fund not needed to pay current obligations in obligations of the United States.

(e) The Board shall purchase land for cash, at the lowest price obtainable, for resale in quantities, at prices, and on terms prescribed by law. It shall first offer the land for sale to eligible veterans, and if unsold it may offer the land to others.

(f) The Board may use the proceeds from the sale of any one series of bonds sold after November 11, 1967, to purchase land for no longer than eight years after the date on which the series was sold. Thereafter, the remaining proceeds shall be set aside to pay principal and interest on bonds in the series.

(g) A veteran eligible to purchase land from the Board is one who served on active duty with the Army, Navy, Air Force, Coast Guard, or Marine Corps of the United States for at least ninety consecutive days (unless earlier discharged because of a service-connected disability) after September 16, 1940; who was not dishonorably discharged; who was at the time of entry into the armed forces a resident of this State, or

who has resided in this State at least five years before applying to purchase land; and who at the time of applying to purchase land is a citizen of the United States and a resident of this State. The surviving spouse of an eligible veteran is entitled to complete the purchase if the veteran filed an application and sale contract before death.

(h) Land purchased from the Veterans' Land Fund is subject to ad valorem taxation unless otherwise exempt by law.

(i) The Legislature shall appropriate each year an amount that combined with money in the Fund is sufficient to pay principal and interest due on bonds during that year.

(j) The Board may use money in a division of the Fund, not needed to retire the bonds secured by the division, to pay principal, interest, and other expenses of any bonds issued by the Board. [III, Sec. 49-b]

Section 28. WATER DEVELOPMENT BOARD; BONDS. (a) The Water Development Board consists of the number of members prescribed by law appointed by the Governor with the advice and consent of two-thirds of the Senators present. The members serve such terms as may be prescribed by law.

(b) The Water Development Board may sell Texas Water Development Bonds to develop the State's water resources. It may sell bonds aggregating not to exceed one hundred million dollars on its own initiative. When authorized by vote of two-thirds of the membership of each house of the Legislature, the Board may sell bonds aggregating not to exceed three hundred million dollars. When directed by the Water Quality Board, the Water Development Board may sell bonds aggregating not to exceed one hundred million dollars.

(c) The Texas Water Development Fund consists of proceeds from the sale of these bonds, income earned on the proceeds, proceeds from the sale of water storage facilities, and proceeds from the sale of water.

(d) The Water Development Board as prescribed by law shall administer the Fund and use money in it (without, however, the necessity for appropriation) to make loans to political subdivisions of the State and to interstate compact commissions of which the State is a member for the purpose of conserving and developing the State's water resources and acquiring land and facilities for storing, treating, and transferring water.

(e) For the purpose of enhancing the quality of the State's water, the Water Quality Board as prescribed by law shall use money in the Fund (without, however, the necessity for appropriation) attributable to bonds whose issue it directed under Subsection (a) to make grants or loans or both to political subdivisions of the State and to interstate agencies and compact commissions of which the State is a member.

(f) Money in the Fund may not be used for a project that results in removing permanently any surface water originating in a river basin if the surface water is necessary to satisfy the reasonably foreseeable water requirements of the basin for the ensuing fifty years.

(g) The Water Development Board may execute long-term contracts with agencies of

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the United States to acquire and develop water storage facilities in reservoirs built by these agencies. Once executed these contracts constitute general obligations of the State and are treated the same as Texas Water Development Bonds.

(h) There is appropriated out of the first money coming into the State Treasury in each fiscal year, not otherwise appropriated by this Constitution, an amount that combined with money in the Fund is sufficient to pay principal and interest due on bonds during that year. [III, Secs. 49-c, 49-d, and 49-d-1]

Section 29. PARK DEVELOPMENT BONDS. (a) The Parks and Wildlife Department or its successor may sell "Texas Park Development Bonds," aggregating not to exceed seventy-five million dollars, to develop State parks.

(b) The Texas Park Development Fund consists of proceeds from the sale of these bonds, income earned on the proceeds, and State park admission fees.

(c) The Department as prescribed by law shall administer the Fund and use money in it to acquire and develop State park sites.

(d) There is appropriated out of the first money coming into the State Treasury in each fiscal year, not otherwise appropriated by this Constitution, an amount that combined with money in the Fund is sufficient to pay principal and interest due on bonds during that year. [III, Sec. 49-e]

Section 30. STUDENT LOAN BONDS. (a) The Coordinating Board, Texas College and University System, may sell Texas College Student Loan Bonds, aggregating not to exceed two hundred eighty-five million dollars, to make loans to students in institutions of higher education.

(b) The Texas Opportunity Plan Fund consists of proceeds from the sale of these bonds and income earned on the proceeds.

(c) The Board as prescribed by law shall administer the Fund and use money in it (without, however, the necessity for appropriation) to make loans to students admitted to any public or private institution of higher education (including junior colleges) in the State that is accredited under standards prescribed by law.

(d) There is appropriated out of the first money coming into the State Treasury in each fiscal year, not otherwise appropriated by this Constitution, an amount that combined with money in the Fund is sufficient to pay principal and interest due on bonds during that year. [III, Secs. 50b and 50b-1]

PART E. SPECIAL LOCAL GOVERNMENT BORROWING AUTHORITY

Section 31. WATER AND ROAD BONDS. (a) A political subdivision of the State may obligate its credit, if authorized by law and if two-thirds of the qualified voters of the subdivision voting at an election called for that purpose approve the obligation, to construct and maintain irrigation, flood control, and navigation systems and permanent roads. The total obligation of credit under this Section may not exceed twenty-five percent of the assessed value of real estate located in the subdivision.

(b) A political subdivision obligating its credit under this Section may levy taxes,

in the manner prescribed by law, to pay interest on and retire the obligation. [III, Sec. 52(b)]

Section 32. ROAD BONDS. A county may issue bonds, if a majority of the qualified voters of the county voting at an election called for that purpose approve the bonds, to construct and maintain permanent roads. The total bonded indebtedness issued under this Section may not exceed twenty-five percent of the assessed value of real estate located in the county. [III, Sec. 52(c)]

Section 33. GRANTS FOR THE HANDICAPPED. (a) A State agency responsible for assisting the physically or mentally handicapped may accept private and federal money granted for use in accordance with Subsection (b). Grant money is State money, and the recipient agency must deposit the money in the State Treasury or a secure depository.

(b) Grant money may be spent only to establish and equip facilities, in cooperation with local-level or other private, nonsectarian associations, designed to assist the physically or mentally handicapped.

(c) A recipient agency may spend grant money without prior appropriation unless the Legislature provides otherwise. The Legislature may regulate the amount of grant money accepted and the manner of its administration; it may also prohibit the acceptance of grant money altogether. [XVI, Sec. 6(b)]

| PRESENT CONSTITUTIONAL PROVISION | PROPOSAL SECTION |
|--|---------------------|
| ART. III Sec. 49..... | Sec. 18 |
| Sec. 49a..... | Sec. 20 |
| Sec. 49b..... | Sec. 27 |
| Sec. 49c..... | Sec. 28 |
| Sec. 49d..... | Sec. 28 |
| Sec. 49d-1..... | Sec. 28 |
| Sec. 49e..... | Sec. 29 |
| Sec. 50..... | Sec. 17(a) |
| Sec. 50b..... | Sec. 30 |
| Sec. 50b-1..... | Sec. 30 |
| Sec. 52 (a)..... | Sec. 17(b) |
| (b)..... | Sec. 31 |
| (c)..... | Sec. 32 |
| Sec. 52-b..... | Sec. 17(c) |
| Sec. 52e..... | omitted |
| Sec. 65..... | Sec. 26 |

| | |
|------------------------------|------------------------------------|
| ART. VIII Sec. 1 sen. 1..... | Sec. 1(b) |
| sen. 2..... | Sec. 1(c); Sec. 7 |
| sen. 3..... | omitted |
| sen. 4..... | Sec. 4(a) |
| sen. 5, cl. 1..... | Sec. 4(a) |
| sen. 5, cl. 2..... | Sec. 5(e) |
| sen. 5, cl. 3..... | Sec. 5(b) |
| sen. 5, cl. 4..... | Sec. 1(c) |
| Sec. 1a ph. 1, sen. 2..... | Sec. 3(c) |
| Sec. 1b(a)..... | Sec. 5(c) |
| (b)..... | Sec. 6(c) |
| Sec. 1c..... | Sec. 5(c) |
| Sec. 1-d..... | Sec. 8 |
| Sec. 1e (1)..... | Sec. 2 |
| (2) (part)..... | omitted as expired and duplicative |
| (2)..... | Sec. 24 |
| (4)..... | Sec. 25 |
| (5)..... | Sec. 10(b) |
| ph. 5..... | Sec. 9(b) |
| Sec. 2(a), cl. 1..... | Sec. 1(b) |
| cl. 2..... | Sec. 6(a) |
| last cl. | Sec. 6(d) |

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| | |
|---------------------------------|------------|
| Sec. 2(b)..... | Sec. 6(b) |
| Sec. 3 (part)..... | Sec. 1(a) |
| Sec. 4..... | Sec. 1(e) |
| Sec. 5..... | Sec. 13 |
| Sec. 6 cl. 1..... | Sec. 19(a) |
| cl. 2 (part)..... | Sec. 19(b) |
| cl. 2 (part)..... | omitted |
| Sec. 7..... | Sec. 21 |
| Sec. 7a..... | Sec. 23 |
| Sec. 8..... | Sec. 14 |
| Sec. 9, sen. 1, cl. 1..... | omitted |
| sen. 1, cl. 2 & 3..... | Sec. 3(a) |
| sen. 2, cl. 1..... | Sec. 3(a) |
| sen. 2, cl. 2..... | Sec. 3(b) |
| sen. 3..... | Sec. 3(a) |
| sen. 4..... | Sec. 3(b) |
| sen. 5..... | omitted |
| Sec. 10..... | Sec. 12 |
| Sec. 11..... | Sec. 15 |
| Sec. 13 (part)..... | omitted |
| (part)..... | Sec. 11 |
| Sec. 15..... | Sec. 9 |
| Sec. 17..... | omitted |
| Sec. 18..... | Sec. 16 |
| Sec. 19..... | Sec. 5(d) |
| Sec. 20, cl. 1..... | Sec. 7 |
| cl. 2..... | Sec. 10(a) |
| ART. XI Sec. 9..... | Sec. 5(a) |
| ART. XVI Sec. 6(a), sen. 1..... | Sec. 17(d) |
| sen. 2..... | Sec. 22 |
| (b)..... | Sec. 33 |

CONSTITUTIONAL CONVENTION PROPOSAL 137

By Delegate Hernandez:

To Committee on the Legislature.

C.C.P. 137, A PROPOSAL FOR INCORPORATION
IN THE CONSTITUTION OF TEXAS

Relating to dual officeholding by
members of the Legislature.

BE IT PROPOSED BY THE CONSTITUTIONAL
CONVENTION OF TEXAS:

That the following section be included
in Article III:

Section _____. DUAL OFFICEHOLDING. A
member of the Legislature may not hold any
other office or position of profit or trust
under this State, the United States, or any
foreign government, except as a member of the
National Guard, National Guard Reserve, or
any of the armed forces reserves of the
United States, as a retired member of the
armed forces of the United States, a notary
public, or as a public school teacher or
college or university instructor or
professor.

CONSTITUTIONAL CONVENTION PROPOSAL 138

By Delegate Bales:

To Committee on Finance.

C.C.P. 138, A PROPOSAL FOR INCORPORATION
IN THE CONSTITUTION OF TEXAS

Relating to the valuation and assessment
of property taxes, and providing for the

creation of a state board of equalization.

BE IT PROPOSED BY THE CONSTITUTIONAL
CONVENTION OF TEXAS:

That Article VIII on finance include the
following provisions:

Section _____. VALUATION AND ASSESSMENT
OF PROPERTY. (a) Except as provided by
Subsection (b), all property taxes shall be
equal and uniform.

(b) The Legislature may prescribe the
method of valuation for any reasonable class
of property on approval by a two-thirds vote
of the membership of each house and by
submission to and approval of a majority of
the qualified electors voting on the
question. A method of valuation for any
class of property adopted under this
subsection applies to all taxing authorities
in the State.

(c) A method of valuation of a class of
property adopted under Subsection (b) shall
treat taxpayers similarly situated in an
equal and uniform manner.

(d) Subject to Subsection (b), the
Legislature by general law shall prescribe
uniform procedures for the valuation and
assessment of all property.

(e) State tax burdens and benefits
which are allocated on the basis of the
assessment of property must be calculated in
accordance with the full amount of the proper
valuation.

Section _____. STATE TAX EQUALIZATION
BOARD. The Legislature shall establish a
State tax equalization board to enforce the
provisions of this Article concerning
valuations and assessments of property for ad
valorem tax purposes and to perform other
duties as required by law.

CONSTITUTIONAL CONVENTION PROPOSAL 139

By Delegate Atwell:

To Committee on Finance.

C.C.P. 139, A PROPOSAL FOR INCORPORATION
IN THE CONSTITUTION OF TEXAS

Relating to dedicating one-fourth of all
sales and use taxes on motor vehicles,
trailers, and semitrailers for mass
transportation.

BE IT PROPOSED BY THE CONSTITUTIONAL
CONVENTION OF TEXAS:

That Article VIII on finance include the
following provision:

Section _____. MASS TRANSPORTATION
FUNDING. Subject to legislative
appropriation, allocation, and direction,
one-fourth of the net revenue from sales and
use taxes on motor vehicles, trailers, and
semitrailers shall be used solely for the
support of mass transportation.

CONSTITUTIONAL CONVENTION PROPOSAL 140

By Delegate Barnhart:

To Committee on Education.

C.C.P. 140, A PROPOSAL FOR INCORPORATION
IN THE CONSTITUTION OF TEXAS

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Providing an article on schools and education.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That Article VII, Section 1, read as follows:

(a) A general diffusion of knowledge being essential to the preservation of the liberties and rights of the people, it shall be a paramount obligation of the Legislature to make available to all people, consistent with the principles guaranteed in our Bill of Rights, elementary and secondary education in free public schools.

(b) In distributing appropriated State funds in support of these free public schools, the Legislature shall ensure an adequate level of financial support which shall relate to the aggregate taxable wealth of the State as a whole. State financial support of educational programs shall recognize variations in the backgrounds, needs, and abilities of students, and the consequent variations in costs to achieve the equalization of educational opportunity.

(c) The Legislature shall by law ensure the adequacy of educational opportunity by providing for the establishment of minimum educational requirements implemented through the system of free public schools. In recognizing the educational needs and desires of individuals in diverse areas throughout our State, the Legislature shall authorize the educational system to grant powers to local school districts to formulate policies and implement educational programs consistent with the principles contained in our Bill of Rights, and not denied by law.

CONSTITUTIONAL CONVENTION PROPOSAL 141

By Delegate Salem:

To Committee on Finance.

C.C.P. 141, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to valuations for property taxes, assessments for state and school district property taxes, and the creation of the property tax auditing board.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That the following section be included in Article VIII:

Section _____. PROPERTY TAXES; PROPERTY TAX AUDITING BOARD. (a) For all ad valorem tax purposes, the valuation of property shall be made in an equal and uniform manner.

(b) For State and school district ad valorem tax purposes, assessments shall be equal and uniform at the proportion of value as prescribed by general law.

(c) The Legislature shall create a property tax auditing board which shall exercise all powers necessary and appropriate for the enforcement of the requirements of Subsections (a) and (b).

CONSTITUTIONAL CONVENTION PROPOSAL 142

By Delegate Longoria:

To Committee on General Provisions.

C.C.P. 142, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to residence requirements of civil officials.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That Article X, Section 2, read as follows:

Section 2. RESIDENCE OF CIVIL OFFICIALS. All elected and appointed officials shall reside within the State. Failure to comply with this condition shall vacate the office.

CONSTITUTIONAL CONVENTION PROPOSAL 143

By Delegate Reynolds:

To Committee on the Legislature.

C.C.P. 143, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to passage of bills which require the expenditure of funds of political subdivisions.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That the following section be included in Article III:

Section _____. LIMITATION ON LEGISLATION. No law may be passed by the Legislature which will require the expenditure of funds of a political subdivision for its implementation unless the governing body of the political subdivision is authorized to decide whether or not to implement the law within its boundaries.

CONSTITUTIONAL CONVENTION PROPOSAL 144

By Delegate Reynolds:

To Committee on Local Government.

C.C.P. 144, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to the adoption of charters by counties.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That Subsection (a), Section 4, Article IX, read as follows:

(a) The Legislature shall by law provide procedures by which any county with a population of not less than fifty thousand may adopt, amend, or repeal a charter with the approval of a majority of qualified voters voting on the question. A charter election may be initiated by petition of the qualified voters of the county or by resolution of the governing body as provided by law. No charter or ordinance shall be inconsistent with the Constitution or laws of the State. No county shall lose the power to

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amend or repeal its charter because its population drops below fifty thousand.

CONSTITUTIONAL CONVENTION PROPOSAL 145

By Delegate Reynolds:

To Committee on Local Government.

C.C.P. 145, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to city charters.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That Article IX, Sections 5 and 6, read as follows:

Section 5. GENERAL LAW CITIES. Cities and towns having a population of five thousand or less may be chartered only by general law. They may levy, assess, and collect such taxes as may be authorized by law.

Section 6. CITY CHARTERS. Cities and towns having more than five thousand inhabitants may, by a majority vote of the qualified voters voting on the question, adopt, amend, or repeal their charters as provided by law. No charter or ordinance shall be inconsistent with the Constitution or general laws of the State. Cities which adopt charters under this Section may levy, assess, and collect any taxes authorized by law or charter. No city shall lose the power to amend or repeal its charter because its population drops below five thousand.

CONSTITUTIONAL CONVENTION PROPOSAL 146

By Delegate Reynolds:

To Committee on Finance.

C.C.P. 146, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to taxation.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That Section 1, Article VIII, read as follows:

Section 1. TAXATION. (a) Taxes shall be levied and collected by general law.

(b) Taxation shall be equal and uniform.

CONSTITUTIONAL CONVENTION PROPOSAL 147

By Delegate Reynolds:

To Committee on Local Government.

C.C.P. 147, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to the election of constables.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That Subsection (d), Section 3, Article

IX, read as follows:

(d) The County Commission may provide for the election of one or more Constables, and if they are provided for, they shall each be elected by the qualified voters from separate and compact precincts containing as nearly as practicable an equal number of inhabitants.

CONSTITUTIONAL CONVENTION PROPOSAL 148

By Delegate Reynolds:

To Committee on the Legislature.

C.C.P. 148, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to the legislature calling itself into session.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That the following section be included in Article III:

Section _____. SPECIAL SESSIONS. Special sessions of the legislature may be called by petition of four-fifths of the membership of each house.

CONSTITUTIONAL CONVENTION PROPOSAL 149

By Delegate Reynolds:

To Committee on Finance.

C.C.P. 149, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to state taxes on income.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That Section 4, Article VIII, read as follows:

Section 4. STATE TAXES ON INCOME. (a) If a law is enacted levying an income tax, the tax may be on personal or corporate income, or both, and may be graduated or otherwise. The law may define income by reference to the laws of the United States as they then exist or may thereafter be changed.

(b) An income tax may be levied if approved by two-thirds vote of the membership of each house of the Legislature and ratified by a majority of the qualified electors of the State voting on the question at a general election.

CONSTITUTIONAL CONVENTION PROPOSAL 150

By Delegate Green of Harris:

To Committee on General Provisions.

C.C.P. 150, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to homesteads.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That the section on homesteads read as follows:

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Section ____ HOMESTEADS. (a) The homestead of a family or of a single adult is protected from forced sale for the payment of all debts, except for purchase money therefor, taxes due thereon, and work and material used in constructing improvements thereon if the work and material are contracted for in writing by the owner and if, in the case of married persons, both spouses consent to the contract in the manner required when a homestead is sold. A homestead of married persons may be sold only with the consent of both spouses, except that if the homestead is the community property or the separate property of the spouse desiring to sell, it may be sold as provided by law without the consent of the other spouse if the latter is incompetent, has disappeared, or has deserted the spouse desiring to sell. A homestead of married persons may be abandoned only with the consent of both spouses, except that it may be abandoned as provided by law without consent of one spouse if that spouse is incompetent, has disappeared, or has deserted the spouse desiring to abandon the homestead. No mortgage, trust deed, or other lien on a residential homestead may be valid except for the purchase money therefor or improvements made thereon, contracted for as provided above. Liens may be created on nonresidential homesteads but only in the manner required for conveyances thereof. A pretended sale of the homestead involving any condition of defeasance is void.

(b) The homestead not in a city, town, or village consists of not more than two hundred acres of land, in one or more parcels, with the improvements thereon. Of the two hundred acres, only fifty acres on which the home is located may be classified as residential, and the remainder shall be classified as nonresidential. The homestead in a city, town, or village consists of land valued at the time of establishment thereof, and without reference to the value of any improvements thereon, at not more than ten thousand dollars or any larger sum as may be provided by law. A homestead in a city, town, or village may be a residential homestead if used as a home and a nonresidential homestead if used as a place for the exercise of the calling or business of the homestead claimant, whether a single adult or the head of a family. A home remains a homestead while temporarily rented only so long as no other homestead is acquired.

(c) The homestead of married persons shall descend and vest like any other real property, except that the homestead may not be partitioned so long as it is used and occupied as a home either by the surviving spouse, or by minor children if the use and occupancy have been granted by an appropriate court.

CONSTITUTIONAL CONVENTION PROPOSAL 151

By Delegate Green of Harris:

To Committee on Finance.

C.C.P. 151, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to the property tax exemption for homesteads.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That Article VIII, Section 2, Subsection (d), read as follows:

(d) The governing bodies of political subdivisions shall exempt from ad valorem taxes not less than three thousand dollars of the assessed value of a residence homestead of persons sixty-five years of age or over.

CONSTITUTIONAL CONVENTION PROPOSAL 152

By Delegate Vecchio:

To Committee on the Executive.

C.C.P. 152, A PROPOSAL FOR INCORPORATION IN THE CONSTITUTION OF TEXAS

Relating to the term of office of the Governor.

BE IT PROPOSED BY THE CONSTITUTIONAL CONVENTION OF TEXAS:

That the following section be included in the Executive Article:

Section ____ GOVERNOR'S TERM. The Governor may serve no more than two four-year terms in succession.

CONSTITUTIONAL CONVENTION RESOLUTION 12

By Delegate Nugent:

To Committee on Administration.

C.C.R. 12, WHEREAS, The Honorable Ben Z. Grant, Delegate from Marshall, made the arduous trip from his home to Austin on horseback, an undertaking he used successfully to demonstrate the antiquity of the Constitution of 1876, now the fundamental law of the State of Texas; and

WHEREAS, Delegate Grant has shown great fortitude by this endeavor and his concern for his state and the need for a new constitution deserve special recognition; now, therefore, be it

RESOLVED by the Constitutional Convention of Texas, That Delegate Ben Z. Grant be permitted to draw payment covering his expenses in riding his horse nearly 300 miles from Marshall to Austin at the same rate per mile as that allowed Delegates to the Constitutional Convention of 1875, who also traveled to the State Capitol on horseback.

CONSTITUTIONAL CONVENTION RESOLUTION 18

By Delegate McKnight:

To Committee on Rules.

C.C.R. 18, BE IT RESOLVED by the Constitutional Convention of Texas, That Section 19 of Rule VI, Rules of Procedure of the Constitutional Convention of Texas, be and is hereby amended to read as follows:

"Section 19. No minority report shall be recognized unless it has been signed by not less than six Delegates of a Committee of

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21 or more members, four Delegates of a Committee of more than 10 but less than 21 members and two Delegates of a Committee of less than 10 members. Delegates signing the minority report must be members of the Committee making the majority report. Only members who were present when the vote was taken on the proposal or other matter, and who voted on the losing side, may sign a minority report."