



ANALYSES OF PROPOSED CONSTITUTIONAL AMENDMENTS

89TH TEXAS LEGISLATURE
NOVEMBER 4, 2025, ELECTION

ANALYSES OF PROPOSED CONSTITUTIONAL AMENDMENTS

89th Texas Legislature
November 4, 2025, Election



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General Information

During its 2025 Regular Session, the 89th Texas Legislature passed a total of 17 joint resolutions proposing amendments to the state constitution, and these proposed amendments will be offered for approval by the voters of Texas on the November 4, 2025, election ballot.

The Texas Constitution provides that the legislature, by a two-thirds vote of all members of each house, may propose amendments revising the constitution and that proposed amendments must then be submitted for approval to the qualified voters of the state. A proposed amendment becomes a part of the constitution if a majority of the votes cast in an election on the proposition are cast in its favor. An amendment approved by the voters is effective on the date of the official canvass of returns showing adoption. The date of canvass, by law, is not earlier than the 15th or later than the 30th day after election day. An amendment may provide for a later effective date.

From the adoption of the current Texas Constitution in 1876 through November 2023, the legislature has proposed 714 amendments to the constitution, of which 711 have gone before Texas voters. Of the amendments on the ballot, 530 have been approved by the electorate and 181 have been defeated. Three amendments were never placed on the ballot for reasons that are historically obscure. See the online publication [*Amendments to the Texas Constitution Since 1876*](#) for more information.

For each proposed amendment that will appear on the November ballot, this publication, *Analyses of Proposed Constitutional Amendments*, contains the ballot language, an analysis, and the text of the joint resolution proposing the amendment. The analysis includes background information, an explanation of what the amendment does, and a summary of comments made during the legislative process about the proposed constitutional amendment by supporters and by opponents.

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Proposition 1

(S.J.R. 59)

The constitutional amendment providing for the creation of the permanent technical institution infrastructure fund and the available workforce education fund to support the capital needs of educational programs offered by the Texas State Technical College System.

SUMMARY ANALYSIS

S.J.R. 59, 89th Legislature, Regular Session, 2025, proposes an amendment to the Texas Constitution creating the permanent technical institution infrastructure fund and the available workforce education fund to provide a dedicated source of funding for capital projects and equipment purchases related to educational programs offered by the Texas State Technical College System, the statewide system of campuses that provide advanced technical vocational education. Income from the permanent technical institution infrastructure fund would be available each year, within specified limits, for transfer to the available workforce education fund and appropriation to the TSTC campuses.

BACKGROUND AND DETAILED ANALYSIS

Section 17, Article VII, Texas Constitution, currently provides general funding to support capital projects at public institutions of higher education. That funding is often referred to as the Higher Education Fund (HEF). The Texas State Technical College System (TSTC System) and its campuses receive HEF funding but are limited to 2.2 percent of the total appropriation of that funding for each state fiscal year, which provides less state support per student to TSTC than to other state institutions.

The constitutional amendment proposed by S.J.R. 59, 89th Legislature, Regular Session, 2025, adds Section 21 to Article VII of the Texas Constitution establishing the permanent technical institution infrastructure fund and the available workforce education fund to provide a dedicated source of funding for capital projects and equipment purchases related to educational programs offered

by the TSTC System. Money may not be appropriated or transferred from those funds except as provided by that section.

Under the proposed constitutional amendment, the comptroller of public accounts is responsible for managing and investing the permanent technical institution infrastructure fund and determining how much money from that fund, within certain limits, is distributed to the available workforce education fund. The money in the available workforce education fund is then appropriated to the Texas State Technical College System to be used only for certain capital projects and equipment purchases, excluding items to be used for intercollegiate athletics or auxiliary enterprises.

The sum of the funding the TSTC System receives under Section 17, Article VII, Texas Constitution, and under the new section added by the proposed constitutional amendment may not exceed \$52 million for the state fiscal year beginning September 1, 2025, and that limit is adjusted for each subsequent state fiscal year for inflation, if any, as determined by the comptroller of public accounts on the basis of changes in the most recent construction cost index published by the Engineering News-Record or, if not available, a comparable cost index. If the sum of that funding would exceed the limit, the amount of HEF funding the TSTC System receives under Section 17 for the applicable state fiscal year would be reduced first. In Chapter 1185 (S.B. 1), 89th Legislature, Regular Session, 2025 (the General Appropriations Act), the legislature appropriated \$850 million to the permanent technical institution infrastructure fund, contingent on voter approval of the proposed constitutional amendment, and appropriated additional money to supplement the initial distribution of funds from the available workforce education fund in the state fiscal year beginning September 1, 2026, to ensure the TSTC System receives a total of \$52 million in capital funding in that year as contemplated by the proposed constitutional amendment.

SUMMARY OF COMMENTS

The following comments supporting or opposing the proposed amendment reflect positions that were presented in committee proceedings, during house or senate floor debate, or in the analysis of the resolution prepared by the House Research Organization (HRO) when the resolution was considered by the House of Representatives.

Comments by Supporters:

- The proposed amendment would invest in the state's need for a skilled workforce by providing dedicated endowment funding for the expansion of Texas State Technical College (TSTC) programs and facilities. TSTC provides technical training for high demand industries across Texas and ensures that students graduate with skills that are aligned to industry needs. The endowment would be a major step in TSTC's ability to secure capital funds needed to expand capacity, which would improve access to technical education, build a stronger workforce pipeline, and increase economic development opportunities for the state.
- Under the current funding model, TSTC receives only limited funding from the Higher Education Fund and has no ability to collect property taxes, which limits its ability to expand its programs. This makes it difficult for TSTC to meet the demand for skilled workers in Texas. With a greater investment, more students would be able to access advanced education and training for high-quality jobs.
- The legislature has added five new campuses to TSTC since 2012 in areas of the state facing increased demand for an industrial workforce, but TSTC has not been able to develop and grow these campuses to adequately address these local workforce demands. Providing this additional source of funding would better allow TSTC to fulfill these needs and fully develop these campuses.

Comments by Opponents:

- The proposed amendment would increase government spending where it might not be needed.
- Amending the constitution to create a perpetual source of funding outside the regular appropriation process will remove the discretion of future legislatures to determine proper funding levels.

Text of S.J.R. 59

SENATE JOINT RESOLUTION

proposing a constitutional amendment providing for the creation of funds to support the capital needs of educational programs offered by the Texas State Technical College System.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article VII, Texas Constitution, is amended by adding Section 21 to read as follows:

Sec. 21. (a) In this section:

(1) "Available fund" means the available workforce education fund.

(2) "Permanent fund" means the permanent technical institution infrastructure fund.

(b) The permanent technical institution infrastructure fund and the available workforce education fund are established as special funds in the state treasury outside the general revenue fund to be administered as provided by this section without further appropriation for the purpose of providing a dedicated source of funding for capital projects and equipment purchases related to educational programs offered by the Texas State Technical College System.

(c) The permanent fund consists of:

(1) money appropriated, credited, transferred, or deposited to the credit of the fund by this section or as authorized by other law;

(2) any interest or other earnings attributable to the investment of money in the fund; and

(3) gifts, grants, and donations made to the fund.

(d) The available fund consists of:

(1) money distributed to the fund from the permanent fund as provided by this section;

(2) money appropriated, credited, transferred, or deposited to the credit of the fund by this section or as authorized by other law;

(3) any interest or other earnings attributable to the investment of money in the fund; and

(4) gifts, grants, and donations made to the fund.

(e) The comptroller of public accounts or the board of regents of the Texas State Technical College System may establish accounts in the available fund as necessary to administer the fund or pay for projects authorized under this section.

(f) The comptroller of public accounts shall hold, manage, and invest the permanent fund. In managing the assets of the fund, the comptroller may acquire, exchange, sell, supervise, manage, or retain any kind of investment that a prudent investor, exercising reasonable care, skill, and caution, would acquire or retain in light of the purposes, terms, distribution needs, and other circumstances of the fund, taking into consideration the investment of all the assets of the fund rather than a single investment. The expenses of managing the investments of the fund shall be paid from the fund.

(g) Money may not be appropriated or transferred from the permanent fund or the available fund except as provided by this section.

(h) The comptroller of public accounts shall determine the amount available for distribution from the permanent fund to the available fund for each fiscal year in accordance with a distribution policy adopted by the comptroller. The amount available for distribution:

(1) must be determined in a manner intended to:

(A) provide the available fund with a stable and predictable stream of annual distributions; and

(B) preserve over a rolling 10-year period the purchasing power of the permanent fund; and

(2) may not exceed 5.5 percent of the fair market value of the investment assets of the permanent fund, as determined by the comptroller.

(i) For each state fiscal year, on request of the board of regents of the Texas State Technical College System, the comptroller of public accounts shall distribute an amount that does not exceed the amount determined under Subsection (h) of this section from the permanent fund to the available fund for purposes of this section.

(j) The amount distributed from the permanent fund to the available fund under Subsection (i) of this section is appropriated to the board of regents of the Texas State Technical College System for:

(1) acquiring land, either with or without permanent improvements;

(2) constructing and equipping buildings or other permanent improvements;

(3) major repair and rehabilitation of buildings and other permanent improvements;

(4) acquiring capital equipment, including instructional equipment, virtual reality or augmented reality equipment, heavy industrial equipment, and vehicles;

(5) acquiring library books and materials, including digital or electronic library books and materials;

(6) payment of the principal and interest due on the bonds and notes issued by the respective board of regents to finance permanent improvements as authorized by other law; and

(7) any other purpose authorized by general law.

(k) Notwithstanding any other provision of this section, money appropriated from the available fund under this section may not be used for the purpose of constructing, equipping, repairing, or rehabilitating buildings or other permanent improvements that are to be used for intercollegiate athletics or auxiliary enterprises.

(l) An institution, other than a component institution of the Texas State Technical College System, that is entitled to participate in dedicated funding provided by Section 17 or 18 of this article may not be entitled to participate in the funding provided by this section.

(m) This section does not impair any obligation created by the issuance of bonds or notes in accordance with prior law, including bonds or notes issued under Section 17 of this article, and all outstanding bonds and notes shall be paid in full, both principal and interest, in accordance with their terms. If this section conflicts with any other provision of this constitution, this section prevails.

(n) Money appropriated under Subsection (j) of this section that is not spent during the state fiscal year for which the appropriation is made is retained by the Texas State Technical College System and may be spent in a subsequent state fiscal year for a purpose for which the appropriation was made.

(o) The sum of the amount allocated to the Texas State Technical College System under Section 17 of this article and the amount distributed to the system under this section may not exceed:

(1) for the state fiscal year beginning September 1, 2025, \$52 million; and

(2) for a state fiscal year beginning on or after September 1, 2026, the amount determined under this subsection for the preceding state fiscal year adjusted by the increase, if any, in the rate of inflation during the preceding state fiscal year, as determined by the comptroller of public accounts on the basis of changes in the most recent construction cost index published by the Engineering News-Record or, if that index is unavailable, a comparable cost index determined by the comptroller.

(p) If the sum of the amounts described by Subsection (o) of this section would exceed the limit provided under Subsection (o) for a state fiscal year:

(1) the amount allocated to the system under Section 17 of this article shall be reduced until the limit is met or the amount allocated is reduced to zero; and

(2) if necessary after the reduction under Subdivision (1) of this subsection, the amount distributed to the system under this section shall be reduced until the limit is met or the amount distributed is reduced to zero.

SECTION 2. Section 17(j), Article VII, Texas Constitution, is amended to read as follows:

(j) The state systems and institutions of higher education designated in this section may not receive any additional funds from the general revenue of the state, other than money appropriated under Section 21 of this article, for acquiring land with or without permanent improvements, for constructing or equipping buildings or other permanent improvements, or for major repair and rehabilitation of buildings or other permanent improvements except that:

(1) in the case of fire or natural disaster the legislature may appropriate from the general revenue an amount sufficient to replace the uninsured loss of any building or other permanent improvement; and

(2) the legislature, by two-thirds vote of each house, may, in cases of demonstrated need, which need must be clearly expressed in the body of the act, appropriate additional general revenue funds for acquiring land with or without permanent improvements, for constructing or equipping buildings or other permanent improvements, or for major repair and rehabilitation of buildings or other permanent improvements.

This subsection does not apply to legislative appropriations made prior to the adoption of this amendment.

SECTION 3. Section 18(c), Article VII, Texas Constitution, is amended to read as follows:

(c) Pursuant to a two-thirds vote of the membership of each house of the legislature, institutions of higher education may be created at a later date as a part of The University of Texas System or The Texas A&M University System by general law, and, when created, such an institution shall be entitled to participate in the funding provided by this section for the system in which it is created. An institution that is entitled to participate in dedicated funding provided by ~~[Article VII,]~~ Section 17 or 21[;] of this article ~~[constitution]~~ may not be entitled to participate in the funding provided by this section.

SECTION 4. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2025. The ballot shall be printed

to permit voting for or against the proposition: "The constitutional amendment providing for the creation of the permanent technical institution infrastructure fund and the available workforce education fund to support the capital needs of educational programs offered by the Texas State Technical College System."

Senate Author: Birdwell et al.

House Sponsor: Lambert et al.

Proposition 2

(S.J.R. 18)

The constitutional amendment prohibiting the imposition of a tax on the realized or unrealized capital gains of an individual, family, estate, or trust.

SUMMARY ANALYSIS

S.J.R. 18, 89th Legislature, Regular Session, 2025, proposes an amendment to the Texas Constitution prohibiting the legislature from taxing the realized or unrealized capital gains of an individual, family, estate, or trust. The prohibition would apply to a tax on the sale or transfer of a capital asset that is payable by the individual, family, estate, or trust selling or transferring the asset, regardless of who owned the asset. The proposed amendment provides that the prohibition would not prohibit an ad valorem tax on property or a sales or use tax on goods or services.

BACKGROUND AND DETAILED ANALYSIS

Texas does not currently impose a tax on the capital gains of an individual, family, estate, or trust. Although Section 24-a, Article VIII, Texas Constitution, prohibits the legislature from imposing a tax on the net income of an individual, the imposition of a tax on the capital gains of an individual, family, estate, or trust, such as the gain realized on the sale or transfer of a capital asset, is not specifically prohibited by that section or elsewhere in the Texas Constitution.

The proposed amendment would add Section 24-b, Article VIII, to the Texas Constitution. Proposed Section 24-b(a) prohibits the legislature from imposing a tax on the realized or unrealized capital gains of an individual, family, estate, or trust. Generally, capital gain is "realized" when the owner of a capital asset sells or exchanges the asset for more than its purchase price. Capital gain is "unrealized" when a capital asset has increased in value but has not been sold or exchanged. The prohibition would include a tax on the sale or transfer of a capital asset if the tax is payable by the individual, family, estate, or trust selling or transferring the asset, regardless of who owned the asset or the manner in which the asset was held.

Proposed Section 24-b(b) excludes certain taxes from the prohibition otherwise provided by Section 24-b. Specifically, Section 24-b(b) provides that Section 24-b may not be construed to modify the applicability of, or prohibit the imposition or change in the rate of, an ad valorem tax on property, a sales tax on the sale of goods or services, or a use tax on the storage, use, or other consumption in this state of goods or services. These taxes are major sources of state and local tax revenue in Texas.

SUMMARY OF COMMENTS

The following comments supporting or opposing the proposed amendment reflect positions that were presented in committee proceedings, during house or senate floor debate, or in the analysis of the resolution prepared by the House Research Organization (HRO) when the resolution was considered by the House of Representatives.

Comments by Supporters:

- The state constitution currently prohibits a personal income tax, but there is no explicit prohibition against a tax on capital gains. Therefore, without the amendment, a future legislature could potentially enact a tax on capital gains that is structured to avoid the income tax prohibition.
- Texas has long been recognized for its pro-business environment. Capital gains taxes can discourage investments, slow economic growth, and reduce job creation.
- States that impose a capital gains tax often see capital flight where investors and businesses relocate to jurisdictions with more favorable tax policies. To maintain Texas' status as an economic leader, it is critical to ensure long-term certainty in tax policy by explicitly prohibiting and eliminating any form of capital gains taxation.
- Striving for limited government entails limiting the government's accessible funds.

Comments by Opponents:

- A constitutional prohibition limits the ability of future legislatures to decide whether to impose a capital gains tax during economic circumstances that current legislators cannot foresee. A capital gains tax would no longer be a potential source of revenue for the state without amending the constitution again.
- The proposed amendment is unnecessary since there is currently no proposal in the legislature to institute a capital gains tax.
- The proposed amendment could reduce tax revenue and encourage business entities to organize as business trusts to avoid paying franchise taxes. The current franchise tax on business trusts that sell assets for a gain could be considered a prohibited capital gains tax that could no longer be collected.

Text of S.J.R. 18

SENATE JOINT RESOLUTION

proposing a constitutional amendment prohibiting the imposition of a tax on the realized or unrealized capital gains of an individual, family, estate, or trust.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article VIII, Texas Constitution, is amended by adding Section 24-b to read as follows:

Sec. 24-b. (a) Subject to Subsection (b) of this section, the legislature may not impose a tax on the realized or unrealized capital gains of an individual, family, estate, or trust, including a tax on the sale or transfer of a capital asset that is payable by the individual, family, estate, or trust selling or transferring the asset.

(b) This section may not be construed as modifying the applicability or prohibiting the imposition or change in the rate of:

- (1) an ad valorem tax on property;
- (2) a sales tax on the sale of goods or services; or
- (3) a use tax on the storage, use, or other consumption in this state of goods or services.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2025. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment prohibiting the imposition of a tax on the realized or unrealized capital gains of an individual, family, estate, or trust."

Senate Author: Perry et al.

House Sponsor: Capriglione et al.

Proposition 3

(S.J.R. 5)

The constitutional amendment requiring the denial of bail under certain circumstances to persons accused of certain offenses punishable as a felony.

SUMMARY ANALYSIS

The constitutional amendment proposed by S.J.R. 5, 89th Legislature, Regular Session, 2025, amends the Texas Constitution to require the denial of bail pending trial to a person charged with certain serious felony offenses, including murder, aggravated assault, aggravated sexual assault, indecency with a child, and human trafficking, if the attorney representing the state demonstrates by a preponderance of the evidence after a hearing that the granting of bail is insufficient to reasonably prevent the person's wilful nonappearance in court or demonstrates by clear and convincing evidence after a hearing that the granting of bail is insufficient to reasonably ensure the safety of the community, law enforcement, and the victim of the alleged offense. The proposed amendment requires a judge or magistrate to prepare a written order when granting bail to a person charged with one or more of the listed offenses and provides guidelines that the judge or magistrate must follow in setting bail and imposing conditions of release. The proposed amendment describes what a judge or magistrate must consider when determining whether a preponderance of the evidence or clear and convincing evidence exists to deny a person bail under the amendment. The proposed amendment also provides that a person is entitled to be represented by counsel at a hearing described by the amendment.

BACKGROUND AND DETAILED ANALYSIS

Section 11, Article I, Texas Constitution, provides for the right of any defendant charged with an offense, other than a capital offense where the proof is evident, to be released on bail. Consequently, a defendant charged with a noncapital offense may not be denied release on bail unless another provision of the constitution specifically authorizes that denial.

Section 11a, Article I, Texas Constitution, authorizes a district judge to deny release on bail pending trial to certain persons who have been indicted for or convicted of a prior felony or who have been placed under the supervision of a criminal justice agency for a prior felony. Section 11b, Article I, Texas Constitution, further authorizes a district judge to deny release on bail pending trial to a person charged with a felony offense or an offense involving family violence who is released on bail and whose bail is subsequently revoked or forfeited for a violation of a condition of release related to the safety of a victim of the offense or the safety of the community. Section 11c, Article I, Texas Constitution, authorizes the legislature to provide by general law for the denial of release on bail pending trial to a person who violates an order for emergency protection or a protective order rendered in a family violence case or who commits an offense involving a violation of one of those orders if, following a hearing, a judge or magistrate determines by a preponderance of the evidence that the person violated the order or committed the offense.

The proposed amendment would add to the constitutional list of circumstances in which a person may be denied release on bail pending trial by adding a new Section 11d, Article I, Texas Constitution, applicable to a person accused of committing one or more of the following offenses: murder; capital murder; aggravated assault, if the person caused serious bodily injury to another or used a firearm, club, knife, or explosive weapon during the commission of the assault; aggravated kidnapping; aggravated robbery; aggravated sexual assault; indecency with a child; trafficking of persons; or continuous trafficking of persons.

The proposed amendment requires the denial of release on bail pending trial to a person charged with one or more of the listed offenses if the attorney representing the state sufficiently demonstrates to the court after a hearing that either of two circumstances exist. First, release on bail must be denied if the attorney representing the state demonstrates by a preponderance of the evidence that the granting of bail is insufficient to reasonably prevent the person's wilful nonappearance in court. Alternatively, release on bail must be denied if the attorney representing the state demonstrates by clear and convincing evidence that the granting of bail is insufficient to reasonably ensure the safety of the community, law enforcement, and the victim of the alleged offense. If the attorney representing the state does not sufficiently demonstrate the existence of either circumstance, a judge or magistrate may grant bail to a person charged with one or more of the listed offenses. Proposed Section 11d(c) requires a judge or magistrate who grants bail to such a person to set bail and impose conditions of release necessary only to reasonably prevent the person's wilful nonappearance in court and to ensure the safety of the community,

law enforcement, and the victim of the alleged offense. This constrains the amount of bail and the conditions of release on bail that a judge or magistrate may set or impose with respect to a person granted bail under the amendment. That subsection also requires a judge or magistrate granting bail to the person to prepare a written order that includes findings of fact and a statement explaining the judge's or magistrate's justification for granting bail and for the determinations required by the amendment.

Proposed Section 11d(d) provides that the amendment may not be construed to limit any right provided to a person under other law to contest a denial of bail or to contest the amount of bail set by a judge or magistrate. That subsection also provides that the amendment may not be construed to require testimonial evidence before a judge or magistrate makes the applicable bail decision. Proposed Section 11d(e) provides that for purposes of determining whether a preponderance of the evidence or clear and convincing evidence exists to deny to a person release on bail under the amendment, the judge or magistrate shall consider the likelihood of the person's wilful nonappearance in court, the nature and circumstances of the alleged offense, the safety of the community, law enforcement, and the victim of the alleged offense, and the criminal history of the person. Proposed Section 11d(f) provides that a person is entitled to be represented by counsel at a hearing described by the amendment.

SUMMARY OF COMMENTS

The following comments supporting or opposing the proposed amendment reflect positions that were presented in committee proceedings, during house or senate floor debate, or in the analysis of the resolution prepared by the House Research Organization (HRO) when the resolution was considered by the House of Representatives.

Comments by Supporters:

- Establishing a procedure for judges to deny bail in cases involving felonies such as murder, aggravated sexual assault, and human trafficking would prevent high-risk offenders from committing additional crimes while awaiting trial. Pretrial releases on low bail or personal recognizance can allow dangerous individuals to remain in the community, as high-risk

defendants who can afford bail may be released even if they pose a significant threat to public safety.

- Since 2021, there have been at least 162 homicide cases filed in Harris County against defendants awaiting trial for a previous offense while free on bond at the time of the homicide.
- Limiting application of the amendment to only the most serious offenses ensures that only the individuals who pose the greatest risk are denied bail.
- Denial of bail is successfully utilized in similar circumstances in the federal court system and in many other states.
- The proposed amendment provides a distinct threshold for denying bail by requiring the state to demonstrate by a preponderance of the evidence that granting bail is insufficient to reasonably prevent a person's wilful nonappearance in court or demonstrate by clear and convincing evidence that granting bail is insufficient to reasonably ensure public safety. This places a clear burden on the prosecution and conforms with the burden of proof required for detaining a defendant without bail under the federal Bail Reform Act of 1984, which was found constitutional in *United States v. Salerno*.
- Defendants would have the right to be represented by counsel at bail denial hearings, ensuring legal representation to safeguard the defendant's rights during this critical stage of the pretrial process.
- A defendant would retain the right to appeal a judge's decision regarding bail.
- Under the current system, pretrial release is effectively denied by means of bail being set so high that a defendant cannot possibly make it. The proposed amendment provides a more honest way of accomplishing this.

Comments by Opponents:

- The proposed amendment would lead to longer pretrial detentions for individuals who have yet to be convicted

of a crime, increasing the financial and personal burdens of detention on these defendants and undermining the presumption of innocence.

- The proposed amendment could be ineffective at addressing its stated goal of increasing public safety, as high pretrial incarceration rates have been shown to be associated with increased recidivism, difficulty reintegrating into the community, and poorer long-term outcomes for defendants.
- The proposed amendment could exacerbate existing racial disparities in the state's criminal justice system.
- Texas judges already have the discretion to effectively deny bail to potentially dangerous individuals by setting cash bonds at amounts that these defendants cannot pay.
- Texas consistently ranks among the states with the highest pretrial detention rates, suggesting that the current system already provides for substantial pretrial detention.
- Increasing reliance on pretrial detention could exacerbate overcrowding in county jails, which are often understaffed and struggling with limited resources, potentially leading to higher taxpayer costs without commensurate public safety benefits.
- Failing to set a specific timeline by which a bail determination must be made could lead to delays in trial proceedings, causing alleged offenders to be held for longer without meaningful recourse and undermining defendants' right to a speedy trial.
- A better approach would be to require judges to consider the "least restrictive conditions" that would reasonably ensure public safety and the defendant's appearance in court. This approach would ensure that pretrial detention is reserved for truly high-risk cases and reduce the risk of unnecessarily lengthy incarceration for lower-risk defendants.
- The proposed amendment requires a judge to consider the criminal history of a defendant when making a decision to deny bail, which means that offenses committed long ago could be used against the defendant, even those that were nonviolent in nature.

Text of S.J.R. 5

SENATE JOINT RESOLUTION

proposing a constitutional amendment requiring the denial of bail under certain circumstances to persons accused of certain offenses punishable as a felony.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article I, Texas Constitution, is amended by adding Section 11d to read as follows:

Sec. 11d. (a) This section applies only to a person accused of committing one or more of the following offenses:

(1) murder;

(2) capital murder;

(3) aggravated assault if the person:

(A) caused serious bodily injury, as that term is defined by general law, to another; or

(B) used a firearm, club, knife, or explosive weapon, as those terms are defined by general law, during the commission of the assault;

(4) aggravated kidnapping;

(5) aggravated robbery;

(6) aggravated sexual assault;

(7) indecency with a child;

(8) trafficking of persons; or

(9) continuous trafficking of persons.

(b) A person to whom this section applies shall be denied bail pending trial if the attorney representing the state demonstrates:

(1) by a preponderance of the evidence after a hearing that the granting of bail is insufficient to reasonably prevent the person's wilful nonappearance in court; or

(2) by clear and convincing evidence after a hearing that the granting of bail is insufficient to reasonably ensure the safety of the community, law enforcement, and the victim of the alleged offense.

(c) A judge or magistrate who grants a person bail in accordance with this section shall:

(1) set bail and impose conditions of release necessary only to reasonably:

(A) prevent the person's wilful nonappearance in court; and

(B) ensure the safety of the community, law enforcement, and the victim of the alleged offense; and

(2) prepare a written order that includes findings of fact and a statement explaining the judge's or magistrate's justification for the grant and the determinations required by this section.

(d) This section may not be construed to:

(1) limit any right a person has under other law to contest a denial of bail or to contest the amount of bail set by a judge or magistrate; or

(2) require any testimonial evidence before a judge or magistrate makes a bail decision with respect to a person to whom this section applies.

(e) For purposes of determining whether a preponderance of the evidence or clear and convincing evidence, as applicable, exists as described by this section, a judge or magistrate shall consider:

(1) the likelihood of the person's wilful nonappearance in court;

(2) the nature and circumstances of the alleged offense;

(3) the safety of the community, law enforcement, and the victim of the alleged offense; and

(4) the criminal history of the person.

(f) At a hearing described by this section, a person is entitled to be represented by counsel.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2025. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment requiring the denial of bail under certain circumstances to persons accused of certain offenses punishable as a felony."

Senate Author: Huffman et al.

House Sponsor: Smithee et al.

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Proposition 4

(H.J.R. 7)

The constitutional amendment to dedicate a portion of the revenue derived from state sales and use taxes to the Texas water fund and to provide for the allocation and use of that revenue.

SUMMARY ANALYSIS

H.J.R. 7, 89th Legislature, Regular Session, 2025, proposes an amendment to the Texas Constitution directing the comptroller of public accounts to deposit \$1 billion of state sales and use tax revenue to the Texas water fund each state fiscal year, to the extent the state collects more than \$46.5 billion of that tax revenue during the fiscal year. The proposed amendment prohibits tax revenue deposited to the Texas water fund under the amendment from being used to construct infrastructure to transport fresh (non-brackish) groundwater and further provides that, notwithstanding any other law, tax revenue deposited to the Texas water fund must be maintained in a separate account in the fund and may not be transferred from the fund except by legislative appropriation. The legislature is authorized by the proposed amendment to prescribe the manner in which all or a portion of the tax revenue deposited to the Texas water fund is allocated to certain other funds and accounts administered by the Texas Water Development Board. Any allocation prescribed by the legislature may not be changed during the first 10 years for which the money is allocated, except that the allocation may be temporarily suspended during a declared state of disaster. The duty of the comptroller to deposit tax revenue to the Texas water fund expires after 20 years, as do the provisions restricting the use of that revenue for certain purposes, requiring that revenue to be deposited into a separate account in the Texas water fund, and authorizing the legislature to allocate all or a portion of that revenue.

BACKGROUND AND DETAILED ANALYSIS

The Texas Legislature for years has discussed the need to provide adequate funding for water-related projects and various methods for providing that funding. The proposed amendment would add Section 7-e, Article VIII, to the Texas Constitution.

That section would require the comptroller of public accounts to deposit to the Texas water fund in each state fiscal year beginning with the 2028 state fiscal year \$1 billion of state sales and use tax revenue that exceeds the first \$46.5 billion of that revenue collected during the state fiscal year. The proposed amendment also prohibits money deposited to the Texas water fund under proposed Section 7-e from being used to finance the construction of infrastructure to transport non-brackish groundwater (that is, fresh water) produced from a well in this state, including water produced from an aquifer storage and recovery project if the water injected as part of the project was non-brackish and produced from a well in this state. The proposed amendment provides that, notwithstanding any other law, sales and use tax revenue deposited to the Texas water fund under proposed Section 7-e must be maintained in a separate account in the Texas water fund and may not be transferred from that fund except in accordance with an appropriation made by the legislature. The duty of the comptroller to deposit sales and use tax revenue to the Texas water fund under proposed Section 7-e expires after 20 years.

The proposed amendment would also amend Section 49-d-16, Article III, Texas Constitution, as proposed by S.J.R. 75, 88th Legislature, Regular Session, 2023, and approved by the voters in 2023. The proposed amendment to that section clarifies that sales and use tax revenue deposited to the Texas water fund under proposed Section 7-e, Article VIII, Texas Constitution, is considered to be part of that fund, as is money in an account established in the fund under the constitution or general law. The proposed amendment also adds a provision to Section 49-d-16 authorizing the legislature, by general law or by concurrent resolution, to allocate the sales and use tax revenue deposited to the Texas water fund for transfer to funds and accounts administered by the Texas Water Development Board for various defined purposes, and provides that the legislative allocation may not be changed during the first 10 years for which the money is allocated. However, the proposed amendment authorizes an allocation to be suspended during a state of disaster declared under Chapter 418, Government Code, through the budget execution process under Chapter 317, Government Code, or by adoption of a concurrent resolution by the legislature. During the disaster period for which the legislative allocation of money is suspended, the proposed amendment authorizes the money to be appropriated by the legislature for any purpose; however, the amendment also provides that the legislature intends that any money repurposed as a result of the suspension be returned to the Texas water fund when practicable. The provisions authorizing the legislature to allocate all or a portion of the sales and use tax revenue deposited to the Texas water fund under proposed Section 7-e, Article VIII, and authorizing

the suspension of that allocation during a declared state of disaster, as well as an existing provision of Section 49-d-16 requiring that 25 percent of the initial money appropriated to the Texas water fund be allocated to the New Water Supply for Texas Fund, also expire after 20 years when the comptroller's duty to deposit state sales and use tax revenue to the Texas water fund expires under proposed Section 7-e, Article VIII.

SUMMARY OF COMMENTS

The following comments supporting or opposing the proposed amendment reflect positions that were presented in committee proceedings, during house or senate floor debate, or in the analysis of the resolution prepared by the House Research Organization (HRO) when the resolution was considered by the House of Representatives.

Comments by Supporters:

- Studies have suggested that \$154 billion will be needed over the next 50 years to fully address water infrastructure concerns as the state's population and water demand continue to grow, and the proposed amendment would help provide a sustainable funding mechanism to help address that funding deficit and meet the state's pressing water needs.
- Dedicated funding for water infrastructure would provide a predictable funding stream to improve water planning efforts, promote confidence in the state's ability to tackle its water challenges in the eyes of businesses, and ensure that infrastructure can keep up with demands without increasing pressure on ratepayers. Other types of infrastructure, like transportation, have dedicated funding and are a model for how the state should address water funding.
- Without significant investment in water resources, the risk of shortages could negatively impact quality of life for Texas residents, drive up costs for businesses, and stall economic development, as businesses may choose to establish themselves elsewhere due to concerns about access to water in Texas.

- Because water costs are increasing and water infrastructure projects can be expensive, be complex, and take a long time to complete, it is critical that investment in water infrastructure happen now to help ensure the state's water security into the future.
- Texas is the eighth-largest economy in the world, there have been multibillion-dollar state surpluses in recent legislative sessions, and 1,600 people a day are moving to Texas. As Texas continues to experience rapid population and economic growth, the state's water infrastructure investment strategy must keep pace. Strengthening water infrastructure would fuel economic development, support population growth, create jobs, and attract new investments.
- With uncertainty regarding federal funding for the state's water infrastructure needs, Texas water and wastewater projects require significant investment, and a dedicated revenue source at the state level is a great way to accomplish that.

Comments by Opponents:

- While no opposition to the proposed constitutional amendment was expressed during legislative consideration of the proposal, it was noted that the proposed amendment would not provide sufficient funding to secure the state's water future given the size of projected water funding needs or address what priority should be given specifically to new water supply development.

Text of H.J.R. 7

A JOINT RESOLUTION

proposing a constitutional amendment to dedicate a portion of the revenue derived from state sales and use taxes to the Texas water fund and to provide for the allocation and use of that revenue.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 49-d-16, Article III, Texas Constitution, as proposed by S.J.R. 75, 88th Legislature, Regular Session, 2023, is amended by amending Subsections (c) and (e) and adding Subsections (e-1), (e-2), and (e-3) to read as follows:

(c) The Texas water fund consists of:

(1) money transferred or deposited to the credit of the fund under this constitution or by general law, including money appropriated by the legislature directly to the fund and money from any source transferred or deposited to the credit of the fund authorized by this constitution or by general law;

(2) any other revenue that the legislature by statute dedicates for deposit to the credit of the fund;

(3) investment earnings and interest earned on amounts credited to the fund;

(4) money from gifts, grants, or donations to the fund; ~~and~~

(5) money returned from any authorized transfer; and

(6) money in accounts established in the fund under this constitution or by general law.

(e) The legislature by general law or by adoption of a concurrent resolution approved by a record vote of a majority of the members of each house may allocate for transfer to the funds and accounts administered by the Texas Water Development Board or that board's successor the money deposited to the credit of the Texas water fund under Section 7-e, Article VIII, of this constitution. The allocation of money prescribed by a general law or resolution under this subsection may not be changed by the legislature during the first 10 fiscal years for which the money is allocated by the general law or resolution. Any money deposited to the credit of the Texas water fund under Section 7-e, Article VIII, of this constitution that is not allocated by a general law or resolution under this subsection may be transferred to other funds or accounts by the Texas Water Development Board or that board's successor in accordance with Subsection (b) of this section.

(e-1) During a state of disaster declared under Chapter 418, Government Code, or its successor, an allocation made under Subsection (e) of this section may be suspended through the budget execution process under Chapter 317, Government Code, or its successor, or by adoption of a concurrent resolution approved by a record vote of a majority of the members of each house. During a suspension of an allocation under this subsection, the money that would have been allocated but for the suspension is subject to appropriation by the legislature for any purpose. It is the intent of the legislature that any money repurposed under this subsection be restored to the Texas water fund when practicable.

(e-2) Of the amount of money initially appropriated to the Texas water fund, the administrator of the fund shall allocate not less than 25 percent to be used only for transfer to the New Water Supply for Texas Fund.

(e-3) This subsection and Subsections (e), (e-1), and (e-2) of this section expire August 31, 2047.

SECTION 2. Article VIII, Texas Constitution, is amended by adding Section 7-e to read as follows:

Sec. 7-e. (a) Subject to Section 7-d of this article and Subsection (b) of this section, in each state fiscal year, the comptroller of public accounts shall deposit to the credit of the Texas water fund the first \$1 billion of the net revenue derived from the imposition of the state sales and use tax on the sale, storage, use, or other consumption in this state of taxable items under Chapter 151, Tax Code, or its successor, that exceeds the first \$46.5 billion of that revenue coming into the treasury in that state fiscal year.

(b) The duty of the comptroller of public accounts to make a deposit under this section expires August 31, 2047.

(c) Money deposited to the credit of the Texas water fund under Subsection (a) of this section may not be transferred to the New Water Supply for Texas Fund for the purpose of financing the construction of infrastructure to transport groundwater that was produced from a well in this state and that, at the time of production, was not brackish, as that term is defined by general law. This subsection applies to the construction of infrastructure to transport water produced from a well associated with an aquifer storage and recovery project only if the water injected as part of the project was groundwater described by this subsection.

(d) Notwithstanding Section 49-d-16(b), Article III, of this constitution, as proposed by S.J.R. 75, 88th Legislature, Regular Session, 2023, the revenue deposited to the credit of the Texas water fund under Subsection (a) of this section shall be maintained by the administrator of the fund in a separate account in the fund and

may not be transferred from the fund by the administrator except as directed by the legislature pursuant to an appropriation made in accordance with Section 6 of this article. The administrator of the fund shall transfer the amount appropriated by the legislature from the account in accordance with the applicable allocations specified by Section 49-d-16, Article III, of this constitution, as proposed by S.J.R. 75, 88th Legislature, Regular Session, 2023.

SECTION 3. The following temporary provision is added to the Texas Constitution:

TEMPORARY PROVISION. (a) This temporary provision applies to the constitutional amendment proposed by the 89th Legislature, Regular Session, 2025, to dedicate a portion of the revenue derived from state sales and use taxes to the Texas water fund and to provide for the allocation and use of that revenue.

(b) Section 7-e, Article VIII, of this constitution takes effect September 1, 2027.

(c) This temporary provision expires September 1, 2028.

SECTION 4. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2025. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment to dedicate a portion of the revenue derived from state sales and use taxes to the Texas water fund and to provide for the allocation and use of that revenue."

House Author: Harris et al.
Senate Sponsor: Perry et al.

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Proposition 5

(H.J.R. 99)

The constitutional amendment authorizing the legislature to exempt from ad valorem taxation tangible personal property consisting of animal feed held by the owner of the property for sale at retail.

SUMMARY ANALYSIS

H.J.R. 99, 89th Legislature, Regular Session, 2025, proposes an amendment to the Texas Constitution to authorize the legislature by general law to exempt from ad valorem taxation tangible personal property consisting of animal feed held by the owner of the property for sale at retail. The amendment further authorizes the legislature by general law to provide additional eligibility requirements for the exemption. The 89th Legislature also enacted H.B. 1399, Regular Session, 2025, to implement the proposed exemption if the voters approve the constitutional amendment. H.B. 1399 limits the exemption to feed to be sold for farm and ranch animals or feed for animals held for sale in the regular course of business.

BACKGROUND AND DETAILED ANALYSIS

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

The constitutional amendment proposed by H.J.R. 99 amends Article VIII, Texas Constitution, by adding Section 1-s to authorize the legislature to exempt from ad valorem taxation the tangible personal property consisting of animal feed held

by the owner of the property for sale at retail. The amendment further authorizes the legislature by general law to provide additional eligibility requirements for the exemption.

The enabling legislation for the proposed exemption is H.B. 1399, 89th Legislature, Regular Session, 2025. The bill amends Subchapter B, Chapter 11, Tax Code, by adding Section 11.162. That section provides that the owner of tangible personal property consisting of animal feed exempted from sales and use taxes under Section 151.316(a)(3) or (4), Tax Code, is entitled to an exemption from ad valorem taxation of the appraised value of the animal feed if the feed is held by the owner for sale at retail. Section 151.316(a)(3), Tax Code, applies to feed for farm and ranch animals, and Section 151.316(a)(4) of that code applies to feed for animals that are held for sale in the regular course of business. Section 11.162 would thus exempt from ad valorem taxes retail inventories of animal feed held by feed stores and other retailers to be sold for farm and ranch animals or for animals held for sale by another business.

SUMMARY OF COMMENTS

The following comments supporting or opposing the proposed amendment reflect positions that were presented in committee proceedings, during house or senate floor debate, or in the analysis of the resolution prepared by the House Research Organization (HRO) when the resolution was considered by the House of Representatives.

Comments by Supporters:

- Under current law, animal feed is not taxed at any point except when it is sitting in a store or store warehouse as inventory. Feed sellers' warehouses are generally fully stocked at the time of year when inventories are appraised for taxation due to the seasonal needs of the agriculture business, resulting in sellers paying exceptionally high taxes due to large inventories and these costs then being passed on to consumers through higher prices. Exempting animal feed held by retailers from property tax would reduce retailer costs and help make animal feed more affordable for Texas farmers and ranchers.

Comments by Opponents:

- Exemptions for animal feed would give an unfair tax benefit to feed sellers, as almost all other forms of inventory are subject to property tax.

Text of H.J.R. 99

A JOINT RESOLUTION

proposing a constitutional amendment authorizing the legislature to exempt from ad valorem taxation tangible personal property consisting of animal feed held by the owner of the property for sale at retail.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article VIII, Texas Constitution, is amended by adding Section 1-s to read as follows:

Sec. 1-s. (a) The legislature by general law may exempt from ad valorem taxation tangible personal property consisting of animal feed held by the owner of the property for sale at retail.

(b) The legislature by general law may provide additional eligibility requirements for the exemption authorized by this section.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2025. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment authorizing the legislature to exempt from ad valorem taxation tangible personal property consisting of animal feed held by the owner of the property for sale at retail."

House Author: Harris et al.

Senate Sponsor: Nichols et al.

Proposition 6

(H.J.R. 4)

The constitutional amendment prohibiting the legislature from enacting a law imposing an occupation tax on certain entities that enter into transactions conveying securities or imposing a tax on certain securities transactions.

SUMMARY ANALYSIS

H.J.R. 4, 89th Legislature, Regular Session, 2025, proposes an amendment to the Texas Constitution prohibiting the legislature from imposing an occupation tax on securities market operators, such as stock exchanges and stock brokers, regulated by the United States Securities and Exchange Commission or the United States Commodity Futures Trading Commission. The proposed amendment would also prohibit the legislature from imposing a tax on securities transactions conducted by those securities market operators. Additionally, the proposed amendment clarifies that the amendment's prohibitions are not intended to limit the state's authority to impose certain existing taxes and fees, such as severance taxes or general sales taxes, or to change the rate of a tax in existence on January 1, 2026.

The proposed amendment, along with other legislation enacted by the 89th Texas Legislature, relates to the possible establishment of one or more national stock exchanges in Texas by prohibiting certain taxes that could otherwise apply to a stock exchange located in Texas.

BACKGROUND AND DETAILED ANALYSIS

Texas does not currently impose an occupation tax on entities that enter into transactions conveying securities or impose a tax on securities transactions. However, Section 1, Article VIII, Texas Constitution, generally authorizes the legislature to impose occupation taxes on individuals and certain corporations. Additionally, while a tax on securities transactions is not specifically authorized by the state constitution, Section 17, Article VIII, Texas Constitution, provides that the legislature may impose taxes on "objects and subjects" other than those specified in the constitution if the manner of taxation is consistent with the principles of taxation otherwise expressed

in the constitution. Therefore, neither an occupation tax on entities that administer transactions conveying securities, such as a stock broker or stock exchange, nor the imposition of a tax on stock or other securities transactions is strictly prohibited by the Texas Constitution.

The proposed amendment would add Section 30, Article VIII, to the Texas Constitution, to prohibit the legislature from imposing an occupation tax on certain entities that enter into transactions conveying securities and imposing a tax on certain securities transactions. Section 30(a), Article VIII, defines the terms "registered securities market operator," "securities transaction," and "security," for the purpose of the prohibitions prescribed by the proposed amendment. Section 30(b), Article VIII, prohibits the legislature from enacting a law that imposes an occupation tax on a registered securities market operator or a tax on a securities transaction conducted by a registered securities market operator. Section 30(c), Article VIII, provides that Section 30 does not prohibit the imposition of certain existing state taxes and fees or a change in the rate of a state tax in existence on January 1, 2026.

SUMMARY OF COMMENTS

The following comments supporting or opposing the proposed amendment reflect positions that were presented in committee proceedings, during house or senate floor debate, or in the analysis of the resolution prepared by the House Research Organization (HRO) when the resolution was considered by the House of Representatives.

Comments by Supporters

- As the Texas Stock Exchange is in the process of being established and other national stock exchanges consider moving to the state, it is important to prevent the imposition of taxes that would have a detrimental effect on the Texas economy. Imposing a financial transaction tax could negatively affect the growing Texas economy by deterring investment in financial services sector innovation.
- Taxes on financial transactions raise transaction costs, which can lead to decreased trade volume, lower asset prices, less efficient markets, increases in the cost of capital, and increases in the cost of consumer goods.

- The proposed amendment would benefit Texas taxpayers, assure investors that Texas is committed to providing a low-tax, business-friendly environment, and encourage businesses to locate in Texas.
- Many Texans rely on marginal returns on their investments, such as 401(k) plans, IRAs, and pensions, to support them in retirement. Any additional tax on financial transactions, whether on transferring securities or processing trades, would reduce these returns and make it more difficult for Texans to save for the future.
- The proposed amendment provides certainty for investors, including retirees, about their ability to trade securities freely in Texas without undue financial burdens.
- Texas has historically been able to fund critical services without imposing burdensome new taxes.

Comments by Opponents

- The proposed amendment would make it harder for future legislatures to make tax policy by prohibiting the types of taxes covered by the amendment.
- The state may experience an economic downturn in the future and could benefit from having a securities transaction or occupation tax to raise revenues at that time.
- Banning possible revenue streams before they exist means that the bulk of local revenue will need to continue coming from property taxes, which burden working class individuals.
- The proposed amendment would primarily benefit the wealthy and allow them to avoid paying their fair share in taxes while Texas families struggle with increased taxes and prices.
- Texas already has the seventh-most regressive tax system in the country, with the bottom 20 percent of earners paying a greater share of their income in taxes than the top one percent. The proposed amendment would worsen this disparity and signal to working Texans that they are not the state's priority.

Text of H.J.R. 4

A JOINT RESOLUTION

proposing a constitutional amendment prohibiting the enactment of a law imposing an occupation tax on certain entities that enter into transactions conveying securities or imposing a tax on certain securities transactions.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article VIII, Texas Constitution, is amended by adding Section 30 to read as follows:

Sec. 30. (a) In this section:

(1) "Registered securities market operator" means any of the following entities, to the extent the entity is subject to registration with and regulation by the United States Securities and Exchange Commission or the United States Commodity Futures Trading Commission, or the successor in function to either commission:

(A) a self-regulatory organization, financial institution, broker, dealer, clearing agency, or transfer agent, as those terms are defined by the Securities Exchange Act of 1934 (15 U.S.C. Section 78a et seq.) in effect on January 1, 2025;

(B) an exchange that is registered as a national securities exchange under Section 6 of the Securities Exchange Act of 1934 (15 U.S.C. Section 78f);

(C) an alternative trading system, board of trade, commodity pool operator, derivatives clearing organization, electronic trading facility, or organized exchange, as those terms are defined by the Commodity Exchange Act (7 U.S.C. Section 1 et seq.) in effect on January 1, 2025;

(D) an affiliate, subsidiary, or facility of an entity described by Paragraph (A), (B), or (C); or

(E) a trade reporting facility regulated under rules promulgated by the Financial Industry Regulatory Authority and in effect on January 1, 2025.

(2) "Securities transaction" means the purchase or sale of a security, a contract or agreement to purchase or sell a security, or a service to facilitate, match parties to, process, report, clear, or settle the purchase or sale of a security on behalf of a customer.

(3) "Security" has the meaning assigned by the Securities Exchange Act of 1934 (15 U.S.C. Section 78a et seq.) in effect on January 1, 2025.

(b) The legislature may not enact a law that imposes:

(1) an occupation tax on a registered securities market operator; or

(2) a tax on a securities transaction conducted by a registered securities market operator.

(c) This section does not prohibit:

(1) the imposition of:

(A) a general business tax measured by business activity;

(B) a tax on the production of minerals;

(C) a tax on insurance premiums;

(D) sales and use taxes on tangible personal property or services; or

(E) a fee based on the cost of processing or creating documents; or

(2) a change in the rate of a tax in existence on January 1, 2026.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2025. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment prohibiting the legislature from enacting a law imposing an occupation tax on certain entities that enter into transactions conveying securities or imposing a tax on certain securities transactions."

House Author: Meyer et al.

Senate Sponsor: Parker et al.

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Proposition 7

(H.J.R. 133)

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 veteran who died as a result of a condition or disease that is presumed under federal law to have been service-connected.

SUMMARY ANALYSIS

H.J.R. 133, 89th Legislature, Regular Session, 2025, proposes to amend Section 1-b, Article VIII, Texas Constitution, to authorize the legislature to exempt from ad valorem taxation all or part of the market value of the residence homestead of the surviving spouse of a veteran of the U.S. armed services who died as a result of a condition or disease that is presumed under federal law to have been service-connected through exposure during military service to toxins like Agent Orange, toxic burn pits, or radiation. Additionally, the proposed amendment authorizes the legislature to provide that the surviving spouse of such a veteran who receives the exemption and subsequently qualifies a different property as the surviving spouse's residence homestead is entitled to an exemption for the new residence homestead in an amount equal to the dollar amount of the exemption the surviving spouse received in the last year the surviving spouse received that exemption on the first homestead. If the surviving spouse remarries, the spouse is no longer eligible for the exemption.

The 89th Legislature also enacted H.B. 2508, 89th Legislature, Regular Session, 2025, to implement the proposed exemption if the voters approve the constitutional amendment. H.B. 2508 provides that the exemption applies to the total appraised value of the surviving spouse's residence homestead and may be transferred to a subsequent homestead in the same dollar amount.

BACKGROUND AND DETAILED ANALYSIS

Section 1, Article VIII, Texas Constitution, requires that taxation be equal and uniform and that all real and tangible personal property be taxed in proportion to

its value unless the property is exempt as required or permitted by the constitution. The legislature may not exempt real or tangible personal property from ad valorem taxation unless the exemption is required or permitted by the constitution.

H.J.R. 133 amends Article VIII, Texas Constitution, by adding Sections 1-b(q) and (r). Section 1-b(q) authorizes the legislature to exempt from ad valorem taxation all or part of the market value of the residence homestead of the surviving spouse of a veteran of the U.S. armed forces who died as a result of a condition or disease that is presumed under federal law to have been service-connected. Section 1-b(r) authorizes the legislature to provide that a surviving spouse who qualifies for and receives an exemption under Section 1-b(q) and who subsequently qualifies a different property as the surviving spouse's residence homestead is entitled to an exemption from ad valorem taxation of the subsequently qualified homestead in an amount equal to the dollar amount of the exemption from ad valorem taxation of the first homestead for which the exemption was received under Section 1-b(q) in the last year in which the surviving spouse received the exemption under that subsection. The two subsections additionally provide that, if a surviving spouse remarries after the death of the veteran, the surviving spouse is no longer eligible for the exemption.

The enabling legislation for the proposed amendment to Section 1-b, Article VIII, Texas Constitution, is H.B. 2508, 89th Legislature, Regular Session, 2025, which in part adds Section 11.136, Tax Code. That section provides that the surviving spouse of a qualifying veteran is entitled to an exemption from taxation of the total appraised value of the surviving spouse's residence homestead if the surviving spouse has not remarried since the death of the veteran and that a surviving spouse who receives such an exemption is entitled to receive an exemption from taxation of a property that the surviving spouse subsequently qualifies as the surviving spouse's residence homestead in an amount equal to the dollar amount of the exemption from taxation of the first property for which the surviving spouse received such an exemption in the last year in which the surviving spouse received that exemption if the surviving spouse has not remarried since the death of the veteran. The exemption applies regardless of the date of the veteran's death if the surviving spouse otherwise qualifies for the exemption. "Qualifying veteran" is defined as "a veteran of the armed services of the United States who died as a result of a qualifying condition or disease, regardless of the veteran's disability rating at the time of the veteran's death," and "qualifying condition or disease" is defined as "a condition or disease for which the Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics Act of 2022 (Pub. L. No. 117-168) or a regulation adopted under that Act establishes

a presumption of service connection." That federal law establishes a number of conditions and diseases that in specified cases are presumed to be service-connected through exposure during military service to toxins like Agent Orange, toxic burn pits, or radiation. Thus, the surviving spouse of a deceased veteran is entitled to the exemption only if the veteran died as a result of a condition or disease for which that federal legislation establishes a presumption of service connection. H.B. 2508 applies only to a tax year beginning on or after January 1, 2026, and takes effect only if the constitutional amendment proposed by H.J.R. 133 is approved by the voters.

SUMMARY OF COMMENTS

The following comments supporting or opposing the proposed amendment reflect positions that were presented in committee proceedings, during house or senate floor debate, or in the analysis of the resolution prepared by the House Research Organization (HRO) when the resolution was considered by the House of Representatives.

Comments by Supporters

- State law providing a property tax exemption for the surviving spouses of veterans with a 100 percent service-connected disability does not take into account the PACT Act, a 2022 federal law that expanded eligibility for VA health care and benefits for veterans exposed to Agent Orange, burn pits, radiation, and other toxic substances and created new presumptions for certain service-connected conditions. As a result, the surviving spouses of veterans who did not have a 100 percent disability rating at the time of their death from service-connected causes have been excluded from receiving the property tax exemption. The proposed amendment would correct this discrepancy.
- The proposed amendment ensures that all surviving spouses of veterans who have died due to service-related conditions are treated equally, without arbitrary exclusions based on the date the PACT Act passed.

- By eliminating property taxes for qualifying surviving spouses, Texas demonstrates its commitment to honoring the service and sacrifice of both veterans and their families.
- The proposed amendment would apply only to a narrow population of qualifying surviving spouses and is not expected to have a significant fiscal impact to the state or local governments.

Comments by Opponents

- The expansion of property tax exemptions to the spouses of deceased veterans could burden other taxpayers with disproportionately higher tax rates, especially near military bases and surrounding areas where there are larger populations of veteran families who would qualify for such an exemption.

Text of H.J.R. 133

A JOINT RESOLUTION

proposing a 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 veteran who died as a result of a condition or disease that is presumed under federal law to have been service-connected.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1-b, Article VIII, Texas Constitution, is amended by adding Subsections (q) and (r) to read as follows:

(q) The legislature by general law may provide that the surviving spouse of a veteran of the armed services of the United States who died as a result of a condition or disease that is presumed under federal law to have been service-connected is entitled to an exemption from ad valorem taxation of all or part of the market value of the surviving spouse's residence homestead if the surviving spouse has not remarried since the death of the veteran.

(r) The legislature by general law may provide that a surviving spouse who qualifies for and receives an exemption in accordance with Subsection (q) of this section and who subsequently qualifies a different property as the surviving spouse's residence homestead is entitled to an exemption from ad valorem taxation of the subsequently qualified homestead in an amount equal to the dollar amount of the exemption from ad valorem taxation of the first homestead for which the exemption was received in accordance with Subsection (q) of this section in the last year in which the surviving spouse received the exemption in accordance with that subsection for that homestead if the surviving spouse has not remarried since the death of the veteran.

SECTION 2. The following temporary provision is added to the Texas Constitution:

TEMPORARY PROVISION. (a) This temporary provision applies to the constitutional amendment proposed by the 89th Legislature, Regular Session, 2025, 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 veteran who died as a result of a condition or disease that is presumed under federal law to have been service-connected.

(b) Sections 1-b(q) and (r), Article VIII, of this constitution take effect January 1, 2026, and apply only to a tax year beginning on or after that date.

(c) This temporary provision expires January 1, 2027.

SECTION 3. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2025. The ballot shall be printed to permit voting for or against the proposition: "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 veteran who died as a result of a condition or disease that is presumed under federal law to have been service-connected."

House Author: Turner et al.

Senate Sponsor: Hughes et al.

Proposition 8

(H.J.R. 2)

The constitutional amendment to prohibit the legislature from imposing death taxes applicable to a decedent's property or the transfer of an estate, inheritance, legacy, succession, or gift.

SUMMARY ANALYSIS

H.J.R. 2 proposes an amendment to the Texas Constitution prohibiting the legislature from taxing the estate of an individual who has died. The proposed amendment also prohibits the legislature from taxing the transfer of an estate, inheritance, legacy, succession, or gift from one individual, family, estate, or trust to another, unless the transfer was subject to the tax on January 1, 2025. Finally, the proposed amendment prohibits the legislature from increasing the rate or expanding the applicability of any tax on the transfer of an estate, inheritance, legacy, succession, or gift that was in effect on January 1, 2025.

BACKGROUND AND DETAILED ANALYSIS

Texas formerly imposed an inheritance tax computed based on the federal estate tax. The legislature repealed the state inheritance tax in 2015. However, the Texas Constitution does not currently prohibit the legislature from imposing a new tax on an individual's estate or property when the individual dies.

The Texas Constitution, in Section 29, Article VIII, does currently prohibit the imposition of taxes on the transfer of title to real property, subject to certain exceptions. Section 29 effectively prohibits a sales tax on a sale of real property or a similar tax on an exchange or gift of real property. While Section 29 could be read to prohibit a tax on the transfer of title to real property by inheritance, it does not expressly prohibit a general estate tax on death.

The proposed amendment would add Section 26, Article VIII, to the Texas Constitution. Proposed Section 26(a)(1) prohibits the legislature from imposing a state tax on an individual's estate because of the individual's death. The prohibition includes the imposition of an estate, inheritance, or death tax.

Proposed Section 26(a)(2) prohibits the legislature from imposing a state tax on the transfer of an estate, inheritance, legacy, succession, or gift from an individual, family, estate, or trust to another individual, family, estate, or trust, unless the tax was in effect on January 1, 2025. The prohibition includes a tax on a generation-skipping transfer. For a tax that was in effect on January 1, 2025, Section 26(a)(3) prohibits the legislature from increasing the rate or expanding the applicability of the tax.

Section 26(b) limits the applicability of the prohibitions otherwise provided by Section 26. Specifically, Section 26(b) provides that Section 26 does not prohibit the imposition or change in the rate or applicability of a tax described by Section 29(b), Article VIII, Texas Constitution, a tax applicable to the transfer of a motor vehicle by gift, or an ad valorem tax on property.

SUMMARY OF COMMENTS

The following comments supporting or opposing the proposed amendment reflect positions that were presented in committee proceedings, during house or senate floor debate, or in the analysis of the resolution prepared by the House Research Organization (HRO) when the resolution was considered by the House of Representatives.

Comments by Supporters:

- Constitutionally prohibiting the imposition of a death tax would help guarantee that heirs and beneficiaries could continue to retain property and assets after the passing of a loved one.
- Death taxes can be burdensome and can lead to inefficient estate planning and tax avoidance strategies.
- The money that a person leaves behind after their death has already been taxed, and the government should be limited in the number of times it can tax the same assets.

Comments by Opponents:

- Amending the state constitution to prohibit a death tax that does not currently exist could hinder future legislatures from

acting in the best interest of the state and lead to unintended consequences.

- Constitutional amendments should be reserved for the most critical matters affecting the state.
- This measure is unnecessary because there is currently no proposal in the legislature to institute a death tax.

Text of H.J.R. 2

A JOINT RESOLUTION

proposing a constitutional amendment prohibiting the legislature from imposing death taxes applicable to a decedent's property or the transfer of an estate, inheritance, legacy, succession, or gift.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article VIII, Texas Constitution, is amended by adding Section 26 to read as follows:

Sec. 26. (a) Except as provided by Subsection (b) of this section, the legislature may not:

(1) impose a state tax on the property of a deceased individual's estate because of the death of the individual, including an estate, inheritance, or death tax;

(2) impose a state tax on the transfer of an estate, inheritance, legacy, succession, or gift from an individual, family, estate, or trust to another individual, family, estate, or trust, including a tax on a generation-skipping transfer, if the tax was not in effect on January 1, 2025; or

(3) increase the rate or expand the applicability of a state tax described by Subdivision (2) of this subsection that was in effect on January 1, 2025, beyond the rate or applicability of the tax that was in effect on that date.

(b) This section does not prohibit the imposition or change in the rate or applicability of:

(1) a tax described by Section 29(b) of this article;

(2) a tax applicable to the transfer of a motor vehicle by gift; or

(3) an ad valorem tax on property.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2025. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment to prohibit the legislature from imposing death taxes applicable to a decedent's property or the transfer of an estate, inheritance, legacy, succession, or gift."

House Author: Geren et al.

Senate Sponsor: Perry et al.

Proposition 9

(H.J.R. 1)

The constitutional amendment to authorize the legislature to exempt from ad valorem taxation a portion of the market value of tangible personal property a person owns that is held or used for the production of income.

SUMMARY ANALYSIS

H.J.R. 1, 89th Legislature, Regular Session, 2025, proposes to amend Section 1(g), Article VIII, Texas Constitution, to authorize the legislature to exempt from ad valorem taxation \$125,000 of the market value of tangible personal property that is held or used for the production of income.

BACKGROUND AND DETAILED ANALYSIS

Section 1, Article VIII, Texas Constitution, requires that taxation be equal and uniform and that all real and tangible personal property be taxed in proportion to its value unless the property is exempt as required or permitted by the constitution. The legislature may not exempt real or tangible personal property from ad valorem taxation unless the exemption is required or authorized by the constitution.

Section 1(g), Article VIII, Texas Constitution, currently authorizes the legislature to exempt from ad valorem taxation tangible personal property that is held or used for the production of income, such as office equipment, tools and supplies, and inventory, and that has a taxable value of less than the minimum amount sufficient to recover the costs of the administration of the taxes on the property. The legislature has statutorily set that minimum amount at \$2,500 in Section 11.145, Tax Code. Section 11.145 also provides that the exemption applies to each separate taxing unit in which a person holds or uses tangible personal property for the production of income as well as requiring that all of the person's tangible personal property used to produce income within each taxing unit be aggregated for the purpose of determining taxable value.

H.J.R. 1, 89th Legislature, Regular Session, 2025, proposes to amend Section 1(g), Article VIII, Texas Constitution, to authorize the legislature to exempt from ad

valorem taxation \$125,000 of the market value of tangible personal property that is held or used for the production of income. This provision would replace the existing authority to exempt such property based on the cost of administering the taxes imposed.

H.B. 9, 89th Legislature, Regular Session, 2025, is the enabling legislation for H.J.R. 1. H.B. 9 amends Section 11.145, Tax Code, to provide that a person is entitled to an exemption from taxation by a taxing unit of \$125,000 of the appraised value of the tangible personal property the person owns that is held or used for the production of income and has taxable situs at the same location in the taxing unit. Section 11.145 is also amended to provide that the exemption applies to each separate location in a taxing unit in which the person holds or uses tangible personal property for the production of income and that all property at each location is aggregated for the purpose of determining taxable value. Section 11.145 is also amended to provide for how the exemption applies to situations in which the owner of the tangible personal property leases the property to another person, when the property does not have taxable situs at the owner's premises, and when the property is held or used by related business entities as part of a common business enterprise. H.B. 9 also makes conforming changes to other sections of the Tax Code as part of the implementation of the changes made to Section 11.145.

SUMMARY OF COMMENTS

The following comments supporting or opposing the proposed amendment reflect positions that were presented in committee proceedings, during house or senate floor debate, or in the analysis of the resolution prepared by the House Research Organization (HRO) when the resolution was considered by the House of Representatives.

Comments by Supporters:

- Increasing the business personal property tax exemption would provide tax relief for businesses in Texas, particularly small businesses, and allow these businesses to reinvest these savings and expand their operations while limiting price increases, thus resulting in economic growth in the state.
- The proposed amendment would incentivize businesses to move to or remain in Texas to take advantage of the business

personal property tax exemption and could reduce the need for businesses to move inventory or equipment out of Texas to avoid paying business personal property taxes on these items.

- The proposed amendment would reduce burdens for appraisal districts in Texas by reducing the number of businesses on their appraisal rolls.
- The impact to state and local tax revenue would be minor since most of the revenue from business personal property taxes comes from a small number of large businesses, which would still be required to pay taxes on all business personal property over the threshold amount. The potential economic benefits would outweigh the minimal tax losses.
- With another budget surplus, it is the state's responsibility to return this surplus money to the taxpayers.
- Paying business personal property taxes can be an onerous process for small businesses since it requires documenting all assets and reporting acquisition prices and dates and depreciation schedules. Tax formulas can be complicated and often overestimate the value of business personal property, and protesting these determinations can be costly and time-consuming. The enabling legislation for the proposed amendment would reduce administrative and compliance burdens for businesses in Texas.

Comments by Opponents:

- The increased tax exemption would reduce the amount of taxable property value on local tax rolls. Counties, municipalities, and special districts might have to raise tax rates to cover these losses, which could result in a redistribution of the property tax burden to homeowners.
- The increased tax exemption causes a net loss in state general revenue available for other uses by reducing local property tax revenue for school districts, which the state would have to make up from state revenue through the school finance system.

Text of H.J.R. 1

A JOINT RESOLUTION

proposing a constitutional amendment to authorize the legislature to exempt from ad valorem taxation a portion of the market value of tangible personal property a person owns that is held or used for the production of income.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1(g), Article VIII, Texas Constitution, is amended to read as follows:

(g) The Legislature by general law may exempt from ad valorem taxation \$125,000 of the market value of tangible personal property that is held or used for the production of income ~~[and has a taxable value of less than the minimum amount sufficient to recover the costs of the administration of the taxes on the property, as determined by or under the general law granting the exemption]~~.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2025. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment to authorize the legislature to exempt from ad valorem taxation a portion of the market value of tangible personal property a person owns that is held or used for the production of income."

House Author: Meyer et al.

Senate Sponsor: Bettencourt et al.

Proposition 10

(S.J.R. 84)

The constitutional amendment to authorize the legislature to provide for a temporary exemption from ad valorem taxation of the appraised value of an improvement to a residence homestead that is completely destroyed by a fire.

SUMMARY ANALYSIS

S.J.R. 84, 89th Legislature, Regular Session, 2025, proposes to amend Section 1-b, Article VIII, Texas Constitution, by adding Subsection (z) to authorize the legislature to provide for a temporary exemption from ad valorem taxation of the appraised value of an improvement to a residence homestead that is completely destroyed by a fire. The exemption would not apply to the remainder of the residence homestead, such as the land or any structures that are not destroyed. Subsection (z) also authorizes the legislature to prescribe the duration of the exemption and provide additional eligibility requirements for the exemption. The 89th Legislature enacted S.B. 467, Regular Session, 2025, to implement the exemption if the voters approve the constitutional amendment. S.B. 467 exempts an improvement to a residence homestead that is destroyed by fire and rendered uninhabitable for at least 30 days from ad valorem taxes for the remainder of the tax year in which the fire occurs. S.B. 467 limits the exemption to a habitable structure, so it would not apply to a garage, barn, or similar improvement.

BACKGROUND AND DETAILED ANALYSIS

Section 1, Article VIII, Texas Constitution, requires that taxation be equal and uniform and that all real and tangible personal property be taxed in proportion to its value unless the property is exempt as required or permitted by the constitution. The legislature may not exempt real or tangible personal property from ad valorem taxation unless the exemption is required or authorized by the constitution.

Section 1-b, Article VIII, Texas Constitution, provides for a number of exemptions from and limitations on ad valorem taxation of residence homesteads. S.J.R. 84 proposes to add Subsection (z) to Section 1-b to authorize the legislature to

provide for a temporary exemption from ad valorem taxation of the appraised value of an improvement to a residence homestead that is completely destroyed by a fire. Proposed Subsection (z) also authorizes the legislature to prescribe the duration of the exemption and provide additional eligibility requirements for the exemption.

S.B. 467, 89th Legislature, Regular Session, 2025, is the enabling legislation for S.J.R. 84. The bill amends Subchapter B, Chapter 11, Tax Code, by adding Section 11.351, which would implement the tax exemption authorized by the constitutional amendment if the amendment is approved by the voters.

Section 11.351 entitles an owner of a residence homestead to an exemption from taxation of a portion of the appraised value of an improvement to the residence homestead that is completely destroyed by a fire if the improvement was a habitable dwelling immediately before the date the fire occurs and the improvement remains uninhabitable for at least 30 days after the date the fire occurs. The section also provides that a person is entitled to the exemption only for the ad valorem tax year in which the fire occurs. The section also provides that the amount of the exemption is calculated by multiplying the appraised value of the improvement for the tax year in which the fire occurs by a fraction representing the portion of the tax year remaining after the date on which the fire occurs. The section also includes various provisions that govern the application for and administration of the new exemption, including partial tax refunds for improvements for which the taxes have been paid before the exemption is granted.

SUMMARY OF COMMENTS

The following comments supporting or opposing the proposed amendment reflect positions that were presented in committee proceedings, during house or senate floor debate, or in the analysis of the resolution prepared by the House Research Organization (HRO) when the resolution was considered by the House of Representatives.

Comments by Supporters:

- Currently, there is no process to adjust a property appraisal if there is a major change in value because the property is destroyed by a fire. This leaves the property owner liable for taxes on the full value of their property even though it is uninhabitable.

- An unexpected, tragic loss of a home through a fire is devastating to a family. The proposed constitutional amendment provides some immediate financial relief for affected homeowners.

Comments by Opponents:

- No opposition to the proposed constitutional amendment was expressed during legislative consideration of the proposal.

Text of S.J.R. 84

SENATE JOINT RESOLUTION

proposing a constitutional amendment to authorize the legislature to provide for a temporary exemption from ad valorem taxation of the appraised value of an improvement to a residence homestead that is completely destroyed by a fire.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1-b, Article VIII, Texas Constitution, is amended by adding Subsection (z) to read as follows:

(z) The legislature by general law may provide for a temporary exemption from ad valorem taxation of the appraised value of an improvement to a person's residence homestead that is completely destroyed by a fire. The legislature by general law may prescribe the duration of the exemption and may provide additional eligibility requirements for the exemption.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2025. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment to authorize the legislature to provide for a temporary exemption from ad valorem taxation of the appraised value of an improvement to a residence homestead that is completely destroyed by a fire."

Senate Author: Bettencourt et al.

House Sponsor: Hefner

Proposition 11

(S.J.R. 85)

The constitutional amendment authorizing the legislature to increase the amount of the exemption from ad valorem taxation by a school district of the market value of the residence homestead of a person who is elderly or disabled.

SUMMARY ANALYSIS

The constitutional amendment proposed by S.J.R. 85 amends the Texas Constitution to authorize the legislature to increase the amount of the exemption from ad valorem taxation by a school district of the market value of the residence homestead of a person who is elderly or disabled from an amount not to exceed \$10,000 to an amount not to exceed \$60,000.

BACKGROUND AND DETAILED ANALYSIS

S.J.R. 85, 89th Legislature, Regular Session, 2025, proposes an amendment to the Texas Constitution to authorize the legislature to increase the amount of the exemption from ad valorem taxation by a school district of the market value of the residence homestead of a person who is elderly or disabled from an amount not to exceed \$10,000 to an amount not to exceed \$60,000. S.B. 23, Acts of the 89th Legislature, Regular Session, 2025, is the enabling legislation for S.J.R. 85. The amendment proposed by S.J.R. 85 is necessary to allow the legislature to make the changes in law proposed by S.B. 23.

Section 1, Article VIII, Texas Constitution, requires that taxation be equal and uniform and that all real and tangible personal property be taxed in proportion to its value unless the property is exempt as required or permitted by the constitution. The legislature may not exempt real or tangible personal property from ad valorem taxation unless the exemption is required or authorized by the constitution.

The constitutional amendment proposed by S.J.R. 85 amends Section 1-b(c), Article VIII, Texas Constitution, to authorize the legislature to increase the amount of the exemption from ad valorem taxation by a school district of the market value of the residence homestead of a person who is elderly or disabled. As originally adopted

in 1978, Section 1-b(c) authorized the legislature to exempt up to \$10,000 of the market value of the residence homestead of a person who is elderly or disabled from ad valorem taxation for general elementary and secondary public school purposes. In 1979, the legislature adopted the exemption at the present level of \$10,000 of the appraised value of an elderly or disabled person's residence homestead from those school district taxes. The constitutional amendment proposed by S.J.R. 85 amends Section 1-b(c) to increase the maximum permissible amount of the exemption from \$10,000 to \$60,000. The proposed amendment provides that the amendment to Section 1-b(c) takes effect January 1, 2025, and applies to an ad valorem tax year that begins on or after that date. If the amendment proposed by S.J.R. 85 is approved by the voters, S.B. 23 conforms Section 11.13(c), Tax Code, to the amendment to Section 1-b(c) proposed by S.J.R. 85 by providing for an exemption in the amount of \$60,000 and provides for school districts to receive additional state revenue to make up for any revenue the school districts would lose as a result of the property tax relief proposed by the constitutional amendment. Under S.B. 23, the increased residence homestead exemption and additional state aid to school districts would apply beginning in 2025 if the constitutional amendment is approved.

SUMMARY OF COMMENTS

The following comments supporting or opposing the proposed amendment reflect positions that were presented in committee proceedings, during house or senate floor debate, or in the analysis of the resolution prepared by the House Research Organization (HRO) when the resolution was considered by the House of Representatives.

Comments by Supporters:

- Increasing the residence homestead property tax exemption for individuals who are elderly and disabled would increase housing affordability and provide protection for a vulnerable population. Many individuals who qualify for this exemption live on a fixed income and face rising medical insurance costs. Individuals who are elderly and disabled also often have to make expensive modifications to their homes, such as adding ramps or accessibility features to accommodate walkers, wheelchairs, and other medical devices. The increase would help them to stay in their homes and their neighborhoods.

Keeping seniors in the homes they have lived in for decades is especially valuable, as it contributes to continuity and stability in the community.

- The proposed amendment would provide visible and understandable tax relief to a large segment of the state's population. Homestead exemptions are a particularly beneficial form of tax relief because the affected taxpayers can clearly see the reduction in their tax bill, which encourages support for the tax system overall.
- School districts would not experience a reduction in funding because the state would make up for losses caused by the tax reductions attributable to the increased homestead exemption.

Comments by Opponents:

- This additional tax cut is unnecessary because the legislature has already cut property taxes repeatedly in recent years. Spending more state money on tax cuts would reduce state funds available for public services such as school funding, health care, and infrastructure needs.
- The state should not rely too heavily on the temporary surplus in state revenue, which may not be available in the future if there is an economic downturn.
- If the legislature wants to provide more tax relief, it should do so in a way that benefits people other than just homeowners. An increase in a residence homestead exemption does not benefit renters, who constitute a significant portion of the state's population. Also, tying the increased exemption to individuals over 65 is not necessarily a good proxy for helping low-income individuals, since not all seniors live on low or fixed incomes.
- Mechanisms already exist for an individual over 65 to remain in their home in the event that the individual is unable to pay property taxes, including deferring those taxes to the

individual's estate until the death of the individual or obtaining a reverse mortgage.

- The increased exemption will create a recurring financial obligation for the state. If the state does not have sufficient revenue in future years, other budgetary needs may be negatively impacted.

Text of S.J.R. 85

SENATE JOINT RESOLUTION

proposing a constitutional amendment authorizing the legislature to increase the amount of the exemption from ad valorem taxation by a school district of the market value of the residence homestead of a person who is elderly or disabled.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1-b(c), Article VIII, Texas Constitution, is amended to read as follows:

(c) The amount of \$100,000 of the market value of the residence homestead of a married or unmarried adult, including one living alone, is exempt from ad valorem taxation for general elementary and secondary public school purposes. The legislature by general law may provide that all or part of the exemption does not apply to a district or political subdivision that imposes ad valorem taxes for public education purposes but is not the principal school district providing general elementary and secondary public education throughout its territory. In addition to this exemption, the legislature by general law may exempt an amount not to exceed \$60,000 [~~\$10,000~~] of the market value of the residence homestead of a person who is disabled as defined in Subsection (b) of this section and of a person 65 years of age or older from ad valorem taxation for general elementary and secondary public school purposes. The legislature by general law may base the amount of and condition eligibility for the additional exemption authorized by this subsection for disabled persons and for persons 65 years of age or older on economic need. An eligible disabled person who is 65 years of age or older may not receive both exemptions from a school district but may choose either. An eligible person is entitled to receive both the exemption required by this subsection for all residence homesteads and any exemption adopted pursuant to Subsection (b) of this section, but the legislature shall provide by general law whether an eligible disabled or elderly person may receive both the additional exemption for the elderly and disabled authorized by this subsection and any exemption for the elderly or disabled adopted pursuant to Subsection (b) of this section. Where ad valorem tax has previously been pledged for the payment of debt, the taxing officers of a school district may continue to levy and collect the tax against the value of homesteads exempted under this subsection until the debt is discharged if the cessation of the levy would impair the obligation of the contract by which the debt was created. The legislature shall provide for formulas to protect school districts against all or part of the revenue loss incurred

by the implementation of this subsection, Subsection (d) of this section, and Section 1-d-1 of this article. The legislature by general law may define residence homestead for purposes of this section.

SECTION 2. The following temporary provision is added to the Texas Constitution:

TEMPORARY PROVISION. (a) This temporary provision applies to the constitutional amendment proposed by the 89th Legislature, Regular Session, 2025, authorizing the legislature to increase the amount of the exemption from ad valorem taxation by a school district of the market value of the residence homestead of a person who is elderly or disabled.

(b) The amendment to Section 1-b(c), Article VIII, of this constitution takes effect for the tax year beginning January 1, 2025.

(c) This temporary provision expires January 1, 2027.

SECTION 3. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2025. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment authorizing the legislature to increase the amount of the exemption from ad valorem taxation by a school district of the market value of the residence homestead of a person who is elderly or disabled."

Senate Author: Bettencourt et al.
House Sponsor: Meyer et al.

Proposition 12

(S.J.R. 27)

The constitutional amendment regarding the membership of the State Commission on Judicial Conduct, the membership of the tribunal to review the commission's recommendations, and the authority of the commission, the tribunal, and the Texas Supreme Court to more effectively sanction judges and justices for judicial misconduct.

SUMMARY ANALYSIS

S.J.R. 27, 89th Legislature, Regular Session, 2025, proposes to amend the Texas Constitution to modify the composition of the State Commission on Judicial Conduct to consist of a majority of citizens appointed by the governor, eliminating the appointment of two attorneys by the State Bar of Texas, and to eliminate the selection by lot of members of a tribunal of appellate judges tasked with reviewing the commission's recommendations regarding a complaint of misconduct against a Texas judge or justice. Additionally, S.J.R. 27 proposes to amend the Texas Constitution to permit the commission to issue a private sanction against a judge or justice only if the judge or justice has not been previously sanctioned and the allegations do not include criminal conduct, and to clarify the discretion of the commission to recommend the removal or retirement of a judge or justice. The proposed amendment also clarifies the circumstances under which the commission is authorized or required to suspend a judge or justice from office.

BACKGROUND AND DETAILED ANALYSIS

Section 1-a, Article V, Texas Constitution, currently provides for the appointment of the 13 members of the State Commission on Judicial Conduct as follows:

(1) six members chosen by the Texas Supreme Court with the advice and consent of the senate, one of whom must be a justice of a court of appeals, one a district judge, one a judge of a county court at law, one a judge of a constitutional county court, one a judge of a municipal court, and one a justice of the peace;

(2) two members chosen in accordance with rules prescribed by the Texas Supreme Court by the board of directors of the State Bar of Texas with the advice and consent of the senate, both of whom must be licensed to practice law in Texas and must have practiced law in Texas for at least 10 consecutive years preceding selection; and

(3) five members appointed by the governor with the advice and consent of the senate, each of whom must be a citizen who is at least 30 years of age and is not licensed to practice law and does not hold any salaried public office or employment when appointed.

S.J.R. 27, 89th Legislature, Regular Session, 2025, proposes to amend Section 1-a, Article V, Texas Constitution, by modifying the appointment of members to the State Commission on Judicial Conduct as follows:

(1) six members appointed by the Texas Supreme Court with the advice and consent of the senate, each of whom must be a judge or justice of a court in this state and at least two of whom must specifically be trial court judges; and

(2) seven members appointed by the governor with the advice and consent of the senate, each of whom must be a citizen who is at least 35 years of age.

Additionally, S.J.R. 27, 89th Legislature, Regular Session, 2025, proposes to add Subdivision (2-b), Section 1-a, Article V, Texas Constitution, to prohibit the appointment as a member to the State Commission on Judicial Conduct of a judge or justice who is serving on the same type of court as another commission member.

In sum, S.J.R. 27 proposes to amend Sections 1-a(2), (2-a), and (2-b), Article V, Texas Constitution, by repealing the authority of the board of directors of the State Bar of Texas to appoint members to the State Commission on Judicial Conduct and requiring the governor to appoint two additional commission members, increasing to seven the number of governor-appointed commission members. None of the members would be required to be a practicing attorney, and the age requirement for citizens appointed by the governor would increase from 30 to 35 years of age.

Under the temporary provision to the Texas Constitution proposed by S.J.R. 27, the Texas Supreme Court and the governor would be required to appoint new members to the State Commission on Judicial Conduct by January 1, 2026. The terms of commission members serving before January 1, 2026, would expire July 1, 2026. Thus, the terms of the newly appointed commission members and of the sitting commission members would overlap for six months to allow for the orderly disposition of ongoing cases.

S.J.R. 27 also proposes to amend Section 1-a, Article V, Texas Constitution, to modify the disciplinary powers of the State Commission on Judicial Conduct by:

(1) authorizing the commission to issue a private sanction against a judge or justice only if the commission has not previously issued an admonition against the judge or justice and the complaint or report does not allege the judge or justice engaged in conduct constituting a criminal offense;

(2) authorizing rather than requiring the commission to recommend the removal or retirement of a judge or justice whom the commission finds has engaged in wilful or persistent conduct clearly inconsistent with a proper performance of a judge's or justice's duties; and

(3) authorizing the commission to recommend to the Texas Supreme Court the suspension of a judge or justice from office with or without pay, pending final disposition of the charge against the judge or justice.

Finally, S.J.R. 27 proposes to amend Section 1-a(9), Article V, Texas Constitution, to repeal the requirement that members of the tribunal to review the recommendations of the State Commission on Judicial Conduct be chosen by lot and to require the tribunal to order the suspension of a judge or justice under review without pay if appropriate.

SUMMARY OF COMMENTS

The following comments supporting or opposing the proposed amendment reflect positions that were presented in committee proceedings, during house or senate floor debate, or in the analysis of the resolution prepared by the House Research Organization (HRO) when the resolution was considered by the House of Representatives.

Comments by Supporters:

- The proposed amendment would promote transparency and accountability in the state's judicial system by reforming the composition and authority of the State Commission on Judicial Conduct (SCJC), which was created to promote the integrity, competence, and impartiality of the judiciary.
- The SCJC has not sufficiently protected the rights of Texas citizens who have experienced the consequences of abuses of

judicial power and failures of competency. Complaints often go unresolved for extended periods of time, and judges do not face discipline for wrongdoing. The proposed amendment would institute commonsense reforms that would allow judicial misconduct to be addressed fairly and swiftly.

- The proposed amendment would improve transparency by restricting the option for the SCJC to issue private sanctions and would include more public representation on the SCJC to increase independence and fairness in judicial oversight.

Comments by Opponents:

- The reorganization of the SCJC's composition would have the governor appointing a greater number of commissioners than the Texas Supreme Court, even though the SCJC serves as part of the judicial branch. This could create an opportunity for more politicization and partisanship in the judicial discipline process.
- Since many complaints about judges relate to their actions in trial, a majority of the SCJC commissioners should be judges or justices since these individuals will be best equipped to assess the actions of their peers.

Text of S.J.R. 27

SENATE JOINT RESOLUTION

proposing a constitutional amendment regarding the membership of the State Commission on Judicial Conduct, the membership of the tribunal to review the commission's recommendations, and the authority of the commission, the tribunal, and the Texas Supreme Court to more effectively sanction judges and justices for judicial misconduct.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1-a, Article V, Texas Constitution, is amended by amending Subdivisions (2), (3), (8), and (9) and adding Subdivisions (2-a), (2-b), and (8-a) to read as follows:

(2) The State Commission on Judicial Conduct consists of the following 13 [~~thirteen (13)~~] members[~~, to wit~~]:

(i) six judges or justices of courts in this state appointed by the Supreme Court with the advice and consent of the Senate, two of whom must be trial court judges [~~one (1) Justice of a Court of Appeals~~]; and

(ii) seven [~~one (1) District Judge~~]; (iii) two (2) members of the State Bar, who have respectively practiced as such for over ten (10) consecutive years next preceding their selection; (iv) five (5) citizens appointed by the Governor with the advice and consent of the Senate, who are[:] at least 35 [~~thirty (30)~~] years of age.

(2-a) A[:~~, not licensed to practice law nor holding any salaried public office or employment~~; (v) one (1) Justice of the Peace; (vi) one (1) Judge of a Municipal Court; (vii) one (1) Judge of a County Court at Law; and (viii) one (1) Judge of a Constitutional County Court; provided that no person may not [~~shall~~] be appointed to or remain a member of the Commission if the person[:~~who~~] does not maintain physical residence within this State[:]; or has [~~who shall have~~] ceased to retain the qualifications [~~above~~] specified in Subsection (2) of this Section for that person's appointment.

(2-b) A person appointed under Subsection (2) of this Section who is a judge or justice [~~respective class of membership, and provided that a Commissioner of class (i), (ii), (iii), (vii), or (viii)]~~] may not be a judge or justice [~~reside or hold a judgeship~~] in the same type of court [~~of appeals district~~] as another member of the Commission who is a judge or justice. [~~Commissioners of classes (i), (ii), (vii), and (viii) above shall be chosen by the Supreme Court with advice and consent of the~~]

Senate, those of class (iii) by the Board of Directors of the State Bar under regulations to be prescribed by the Supreme Court with advice and consent of the Senate, those of class (iv) by appointment of the Governor with advice and consent of the Senate, and the commissioners of classes (v) and (vi) by appointment of the Supreme Court as provided by law, with the advice and consent of the Senate.]

(3) The regular term of office of Commissioners shall be six ~~[(6)]~~ years~~;~~ but the initial members of each of classes (i), (ii) and (iii) shall respectively be chosen for terms of four (4) and six (6) years, and the initial members of class ~~(iiii)~~ for respective terms of two (2), four (4) and six (6) years]. Interim vacancies shall be filled in the same manner as vacancies due to expiration of a full term, but only for the unexpired portion of the term in question. Commissioners may succeed themselves in office only if the commissioner has ~~[having]~~ served less than three ~~[(3)]~~ consecutive years.

(8) After such investigation as it deems necessary, the Commission may, in its discretion:

(i) for a person holding an office or position specified in Subsection (6) of this Section who has never been issued an order under this subparagraph and in response to a complaint or report other than a complaint or report alleging the person engaged in conduct constituting a criminal offense, issue an order of private admonition, warning, reprimand, censure, or requirement that the person obtain additional training or education;

(ii) issue a ~~[private or]~~ public admonition, warning, reprimand, or requirement that the person obtain additional training or education~~;~~^[-] or

(iii) if the Commission determines that the situation merits such action, [it may] institute formal proceedings and order a formal hearing to be held before it concerning a person holding an office or position specified in Subsection (6) of this Section, or it may in its discretion request the Supreme Court to appoint an active or retired District Judge or Justice of a Court of Appeals, or retired Judge or Justice of the Court of Criminal Appeals or the Supreme Court, as a Master to hear and take evidence in the matter, and to report thereon to the Commission and to the Supreme Court.

(8-a) A [The] Master appointed under Subsection (8)(iii) of this Section shall have all the power of a District Judge in the enforcement of orders pertaining to witnesses, evidence, and procedure. If, after formal hearing under Subsection (8) (iii) of this Section, or after considering the record and report of a Master appointed under Subsection (8)(iii) of this Section, the Commission finds the person engaged in

wilful or persistent conduct that is clearly inconsistent with the proper performance of a judge's duties or other good cause therefor, the Commission:

(i) [it] shall issue for the person an order of public admonition, warning, reprimand, censure, or requirement that the person holding an office or position specified in Subsection (6) of this Section obtain additional training or education; ~~;~~ or

(ii) may ~~[it shall]~~ recommend to a review tribunal the removal or retirement ~~[, as the case may be,]~~ of the person and shall ~~[thereupon]~~ file with the tribunal the entire record before the Commission.

(9) A tribunal to review the Commission's recommendation for the removal or retirement of a person holding an office or position specified in Subsection (6) of this Section is composed of seven ~~[(7)]~~ Justices ~~[or Judges]~~ of the Courts of Appeals who are selected ~~[by lot]~~ by the Chief Justice of the Supreme Court. ~~[Each Court of Appeals shall designate one of its members for inclusion in the list from which the selection is made.]~~ Service on the tribunal shall be considered part of the official duties of a justice ~~[judge]~~, and no additional compensation may be paid for such service. The review tribunal shall review the record of the proceedings on the law and facts and in its discretion may, for good cause shown, permit the introduction of additional evidence. Within 90 days after the date on which the record is filed with the review tribunal, it shall order public censure, suspension without pay for a specified period, retirement or removal, as it finds just and proper, or wholly reject the recommendation. A Justice, Judge, Master, or Magistrate may appeal a decision of the review tribunal to the Supreme Court under the substantial evidence rule. Upon an order for involuntary retirement for disability or an order for removal, the office in question shall become vacant. The review tribunal, in an order for involuntary retirement for disability or an order for removal, shall ~~[may]~~ prohibit such person from holding judicial office in the future. The rights of a person ~~[an incumbent]~~ so retired to retirement benefits shall be the same as if the person's ~~[his]~~ retirement had been voluntary.

SECTION 2. Section 1-a(6)(A), Article V, Texas Constitution, is amended to read as follows:

(6) A. Any Justice or Judge of the courts established by this Constitution or created by the Legislature as provided in Section 1, Article V, of this Constitution, may, subject to the other provisions hereof, be removed from office for wilful or persistent violation of rules promulgated by the Supreme Court of Texas, incompetence in performing the duties of the office, wilful violation of the Code of Judicial Conduct, or wilful or persistent conduct that is clearly inconsistent with

the proper performance of the person's [his] duties or casts public discredit upon the judiciary or administration of justice. Any person holding such office may be disciplined or censured, in lieu of removal from office, as provided by this section. Any person holding an office specified in this subsection may be suspended from office with or without pay by the Commission immediately on being indicted by a State or Federal grand jury for a felony offense or charged with a misdemeanor involving official misconduct. On the filing of a sworn complaint charging a person holding such office with willful or persistent violation of rules promulgated by the Supreme Court of Texas, incompetence in performing the duties of the office, willful violation of the Code of Judicial Conduct, or willful and persistent conduct that is clearly inconsistent with the proper performance of the person's [his] duties or casts public discredit on the judiciary or on the administration of justice, the Commission, after giving the person notice and an opportunity to appear and be heard before the Commission, may recommend to the Supreme Court the suspension of such person from office with or without pay, pending final disposition of the charge. The Supreme Court, after considering ~~[the record of such appearance and]~~ the recommendation of the Commission, may suspend the person from office with or without pay, pending final disposition of the charge.

SECTION 3. The following temporary provision is added to the Texas Constitution:

TEMPORARY PROVISION. (a) This temporary provision applies to the constitutional amendment proposed by the 89th Legislature, Regular Session, 2025, regarding the membership of the State Commission on Judicial Conduct, the membership of the tribunal to review the commission's recommendations, and the authority of the commission, the tribunal, and the Texas Supreme Court to more effectively sanction judges and justices for judicial misconduct. The constitutional amendment takes effect January 1, 2026.

(b) Notwithstanding any other law, the terms of the commissioners of the State Commission on Judicial Conduct serving before January 1, 2026, expire July 1, 2026.

(c) Notwithstanding any other law, the Texas Supreme Court, with the advice and consent of the Senate, shall appoint additional commissioners to the State Commission on Judicial Conduct to serve staggered terms beginning January 1, 2026, as follows:

- (1) two commissioners to serve six-year terms;
- (2) two commissioners to serve four-year terms; and
- (3) two commissioners to serve two-year terms.

(d) Notwithstanding any other law, the governor shall appoint additional commissioners to the State Commission on Judicial Conduct to serve staggered terms beginning January 1, 2026, as follows:

(1) three commissioners to serve six-year terms;

(2) two commissioners to serve four-year terms; and

(3) two commissioners to serve two-year terms.

(e) Notwithstanding any other law and except as otherwise provided by this subsection, a complaint submitted to the State Commission on Judicial Conduct before January 1, 2026, shall be reviewed by the commissioners of the State Commission on Judicial Conduct appointed before January 1, 2026, unless the complaint has not been resolved by July 1, 2026, in which event the complaint shall be reviewed by the commissioners appointed on or after that date.

(f) Notwithstanding any other law, a complaint submitted to the State Commission on Judicial Conduct on or after January 1, 2026, shall be reviewed by the commissioners of the State Commission on Judicial Conduct appointed on or after that date.

(g) This temporary provision expires January 1, 2031.

SECTION 4. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2025. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment regarding the membership of the State Commission on Judicial Conduct, the membership of the tribunal to review the commission's recommendations, and the authority of the commission, the tribunal, and the Texas Supreme Court to more effectively sanction judges and justices for judicial misconduct."

Senate Author: Huffman et al.

House Sponsor: Leach

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Proposition 13

(S.J.R. 2)

The constitutional amendment to increase the amount of the exemption of residence homesteads from ad valorem taxation by a school district from \$100,000 to \$140,000.

SUMMARY ANALYSIS

The constitutional amendment proposed by S.J.R. 2 amends the Texas Constitution to increase the portion of the market value of a residence homestead that is exempt from ad valorem taxation for public school purposes from \$100,000 to \$140,000.

BACKGROUND AND DETAILED ANALYSIS

S.J.R. 2, 89th Legislature, Regular Session, 2025, proposes an amendment to the Texas Constitution to increase the portion of the market value of a residence homestead that is exempt from ad valorem taxation for public school purposes from \$100,000 to \$140,000. S.B. 4, 89th Legislature, Regular Session, 2025, is the enabling legislation for S.J.R. 2. The amendment proposed by S.J.R. 2 is necessary to allow the legislature to make the changes in law proposed by S.B. 4.

Section 1, Article VIII, Texas Constitution, requires that taxation be equal and uniform and that all real and tangible personal property be taxed in proportion to its value unless the property is exempt as required or permitted by the constitution. The legislature may not exempt real or tangible personal property from ad valorem taxation unless the exemption is required or authorized by the constitution.

The constitutional amendment proposed by S.J.R. 2 amends Section 1-b(c), Article VIII, Texas Constitution, to increase the portion of the market value of a residence homestead that is exempt from ad valorem taxation for public school purposes. As originally adopted in 1978, Section 1-b(c) exempted \$5,000 of the market value of a residence homestead from those school district taxes. Subsequent constitutional amendments have increased the amount of the school tax exemption provided by Section 1-b(c) to \$15,000 in 1997, to \$25,000 in 2015, to \$40,000 in 2022, and to \$100,000 in 2023. The constitutional amendment proposed by S.J.R. 2 amends

Section 1-b(c) to further increase the amount of the exemption from \$100,000 to \$140,000. The proposed amendment provides that the amendment to Section 1-b(c) takes effect for the tax year beginning January 1, 2025. If the amendment proposed by S.J.R. 2 is approved by the voters, S.B. 4 conforms Section 11.13(b), Tax Code, to the amendment to Section 1-b(c) proposed by S.J.R. 2 and provides for school districts to receive additional state revenue to make up for any revenue the school districts would lose as a result of the proposed amendment to Section 1-b(c). Under S.B. 4, the increased residence homestead exemption and additional state aid to school districts would apply beginning in 2025 if the constitutional amendment is approved.

SUMMARY OF COMMENTS

The following comments supporting or opposing the proposed amendment reflect positions that were presented in committee proceedings, during house or senate floor debate, or in the analysis of the resolution prepared by the House Research Organization (HRO) when the resolution was considered by the House of Representatives.

Comments by Supporters:

- Increasing the school district residence homestead property tax exemption would provide Texas homeowners with significant new tax relief, as school taxes amount to the largest share of most property owners' increasing tax burden. The tax savings will encourage economic growth.
- Taxpayers need additional tax relief since many of the gains from tax relief passed in previous legislative sessions have been lost due to inflation and increases in tax rates by local governments.
- An increase in the homestead exemption would provide broad-based tax relief to all homeowners and would be a meaningful tax benefit to a large number of Texans, particularly elderly homeowners living on fixed incomes and facing increasing health care expenses and rising insurance rates.

- The proposed amendment would benefit the economy by encouraging home purchases and boosting the real estate market. It would help first-time home buyers who often do not have excess money to spend on taxes and normally have substantial mortgage payments in addition to other home expenses.
- The state would make up any loss of local school district taxes as a result of the higher exemption by using general revenue under state aid formulas provided in current law and the enabling legislation.
- The proposed amendment would provide lasting, meaningful tax relief to a broad cross-section of the tax base while ensuring that funding for important priorities is maintained.
- Substantial property tax cuts for homeowners could result in lower rents to maintain market competition between owning and renting.

Comments by Opponents:

- The proposed amendment would substantially reduce the amount of revenue available for funding public services and would exclude renters and commercial property owners from the tax benefits.
- The state would benefit more by investing its current surplus in public services rather than providing more tax cuts.
- Public services and school funding could be jeopardized if the state does not have sufficient revenue in future years to continue reimbursing school districts for taxes lost as a result of the increased exemption.
- Providing tax relief only to homeowners could shift the tax burden onto renters and commercial property owners. The legislature should pursue a tax relief strategy that targets renters and lower-income individuals, such as a renter's rebate program or an exemption tied to household income.

- An increase in the homestead exemption would also increase the number of homeowners who pay no school property taxes at all. These homeowners could be incentivized to vote for higher local tax rates and more bonds because they would not have to bear the burden of those local property tax increases.
- Increasing the homestead exemption will not provide effective property tax relief without a limit on local government spending and tax increases.

Text of S.J.R. 2

SENATE JOINT RESOLUTION

proposing a constitutional amendment to increase the amount of the exemption of residence homesteads from ad valorem taxation by a school district.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1-b(c), Article VIII, Texas Constitution, is amended to read as follows:

(c) The amount of \$140,000 [~~\$100,000~~] of the market value of the residence homestead of a married or unmarried adult, including one living alone, is exempt from ad valorem taxation for general elementary and secondary public school purposes. The legislature by general law may provide that all or part of the exemption does not apply to a district or political subdivision that imposes ad valorem taxes for public education purposes but is not the principal school district providing general elementary and secondary public education throughout its territory. In addition to this exemption, the legislature by general law may exempt an amount not to exceed \$10,000 of the market value of the residence homestead of a person who is disabled as defined in Subsection (b) of this section and of a person 65 years of age or older from ad valorem taxation for general elementary and secondary public school purposes. The legislature by general law may base the amount of and condition eligibility for the additional exemption authorized by this subsection for disabled persons and for persons 65 years of age or older on economic need. An eligible disabled person who is 65 years of age or older may not receive both exemptions from a school district but may choose either. An eligible person is entitled to receive both the exemption required by this subsection for all residence homesteads and any exemption adopted pursuant to Subsection (b) of this section, but the legislature shall provide by general law whether an eligible disabled or elderly person may receive both the additional exemption for the elderly and disabled authorized by this subsection and any exemption for the elderly or disabled adopted pursuant to Subsection (b) of this section. Where ad valorem tax has previously been pledged for the payment of debt, the taxing officers of a school district may continue to levy and collect the tax against the value of homesteads exempted under this subsection until the debt is discharged if the cessation of the levy would impair the obligation of the contract by which the debt was created. The legislature shall provide for formulas to protect school districts against all or part of the revenue loss incurred by the implementation of this subsection, Subsection (d) of this section, and Section

1-d-1 of this article. The legislature by general law may define residence homestead for purposes of this section.

SECTION 2. The following temporary provision is added to the Texas Constitution:

TEMPORARY PROVISION. (a) This temporary provision applies to the constitutional amendment proposed by S.J.R. 2, 89th Legislature, Regular Session, 2025.

(b) The amendment to Section 1-b(c), Article VIII, of this constitution takes effect for the tax year beginning January 1, 2025.

(c) This temporary provision expires January 1, 2027.

SECTION 3. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2025. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment to increase the amount of the exemption of residence homesteads from ad valorem taxation by a school district from \$100,000 to \$140,000."

Senate Author: Bettencourt et al.

House Sponsor: Meyer et al.

Proposition 14

(S.J.R. 3)

The constitutional amendment providing for the establishment of the Dementia Prevention and Research Institute of Texas, establishing the Dementia Prevention and Research Fund to provide money for research on and prevention and treatment of dementia, Alzheimer's disease, Parkinson's disease, and related disorders in this state, and transferring to that fund \$3 billion from state general revenue.

SUMMARY ANALYSIS

S.J.R. 3, 89th Legislature, Regular Session, 2025, proposes adding Section 68 to Article III, Texas Constitution, to require the legislature to establish the Dementia Prevention and Research Institute of Texas to provide grants and assistance to support research, prevention, and treatment for dementia, Alzheimer's disease, Parkinson's disease, and related disorders. The amendment also requires the creation of the Dementia Prevention and Research Fund and the transfer of \$3 billion from the state's general revenue to the fund to support the institute and its activities.

The 89th Legislature enacted S.B. 5, Regular Session, 2025, contingent on voter approval of the constitutional amendment, to create the Dementia Prevention and Research Institute of Texas and provide for its governance and operation. Also contingent on voter approval of the constitutional amendment, the 2025 General Appropriations Act directs the transfer of \$3 billion to the Dementia Prevention and Research Fund and appropriates \$300 million from that fund in each year of the 2026-2027 biennium to the institute to administer the provisions of S.B. 5.

BACKGROUND AND DETAILED ANALYSIS

S.J.R. 3, 89th Legislature, Regular Session, 2025, requires the legislature to establish the Dementia Prevention and Research Institute of Texas and tasks the institute with awarding grants to institutions of learning, advanced medical research facilities, public or private persons, and collaboratives in this state to fund research into the causes of, means of prevention of, and treatment and rehabilitation for dementia, Alzheimer's disease, Parkinson's disease, and related disorders, with

supporting institutions, facilities, and collaboratives in discovering the causes of those diseases and disorders and in developing therapies, protocols, medical pharmaceuticals, or procedures for the substantial mitigation of the symptoms of those diseases and disorders, and with establishing the appropriate standards and oversight bodies to ensure the proper use of the funding provided by the institute.

The proposed amendment authorizes the members of the governing body and other decision-making bodies of the Dementia Prevention and Research Institute of Texas to serve six-year terms.

S.J.R. 3 also establishes the Dementia Prevention and Research Fund as a special fund in the state treasury outside the general revenue fund to be administered by the Dementia Prevention and Research Institute of Texas. The fund consists of money transferred or appropriated to the fund and gifts and grants, including grants from the federal government, received for the fund. The comptroller would be required to credit to general revenue any interest accrued by the fund.

S.J.R. 3 authorizes the Dementia Prevention and Research Institute of Texas to use money in the fund only to award grants for research in this state on dementia, Alzheimer's disease, Parkinson's disease, and related disorders, for the prevention, treatment, and rehabilitation of those diseases and disorders, for the purchase, construction, or renovation of facilities by or on behalf of a state agency or grant recipient subject to the institute's approval, and for the institute's operation.

If the voters approve S.J.R. 3, the comptroller is required to transfer \$3 billion from the state's general revenue fund to the Dementia Prevention and Research Fund on January 1, 2026. The transfer does not constitute an appropriation of state tax revenues for the purposes of Section 22, Article VIII, Texas Constitution, and therefore does not count toward the limitation on the rate of growth of appropriations from certain state tax revenue from one state fiscal biennium to the next fiscal biennium provided under that section, often referred to as the biennial spending limit.

S.B. 5, 89th Legislature, Regular Session, 2025, is the enabling legislation for the proposed amendment. S.B. 5, which takes effect only if the voters approve the proposed constitutional amendment, addresses in more detail the structure, powers, and duties of the Dementia Prevention and Research Institute of Texas.

Section 403.095, Government Code, provides that revenue set aside by law for a particular purpose or entity is available for that purpose or entity only to the extent money is appropriated for that purpose or entity. Therefore, the Dementia Prevention and Research Institute of Texas may only use money in the Dementia

Prevention and Research Fund if the legislature specifically appropriates money to the institute. The proposed constitutional amendment authorizes the legislature to appropriate from the fund to the institute not more than \$300 million in a state fiscal year, excluding any unspent money appropriated to the institute carried forward from a preceding state fiscal year.

Contingent on voter approval of the proposed constitutional amendment, and the enactment of S.B. 5, the 2025 General Appropriations Act (S.B. 1, 89th Legislature, Regular Session, 2025, Rider 18.85, page IX-121) directs the comptroller to make the transfer of \$3 billion from general revenue to the Dementia Prevention and Research Fund as provided by the constitutional amendment, and appropriates \$300 million from that fund to the institute for each year of the state fiscal biennium ending August 31, 2027, for the purpose of implementing S.B. 5.

The amendment proposed by S.J.R. 3 further requires an applicant for a grant from the Dementia Prevention and Research Institute of Texas to have available an unexpended amount of matching funds equal to one-half of the proposed grant amount dedicated to the research specified in the grant proposal before the institute may award the grant.

Finally, the proposed amendment requires the reasonable expenses of managing the assets of the Dementia Prevention and Research Fund to be paid from the fund.

SUMMARY OF COMMENTS

The following comments supporting or opposing the proposed amendment reflect positions that were presented in committee proceedings, during house or senate floor debate, or in the analysis of the resolution prepared by the House Research Organization (HRO) when the resolution was considered by the House of Representatives.

Comments by Supporters:

- Creating the Dementia Prevention and Research Institute of Texas (DPRIT) would allow for a major investment in research focused on the prevention and treatment of dementia, Alzheimer's disease, and other degenerative neurological disorders, improving the health and quality of life of millions of Texans and benefiting the state's economy.

- The impact of dementia and related diseases is growing due to a rapidly aging population and increased life expectancy, and the need for increased investment in research, prevention, and treatment is urgent.
- Dementia is a leading cause of death in the United States, while Texas ranks high among other states in Alzheimer's cases and deaths. Lack of neurological medical care is especially acute in some regions of Texas, impacting the ability of individuals to receive critical care.
- The proposed amendment would accelerate innovation in dementia research by providing grants through DPRIT, which would be modeled in certain respects after the Cancer Prevention and Research Institute of Texas (CPRIT), the state's institute for funding cancer research. CPRIT has successfully attracted excellent cancer researchers and doctors to Texas and provided a significant economic return on the state's investment.
- DPRIT would help to attract top research talent to Texas, create high-quality jobs, and facilitate collaboration among medical and scientific experts. Additionally, by advancing efforts to mitigate the causes and effects of dementia, DPRIT could help relieve caregiving costs in Texas, which can burden families for many years.
- The state's business-friendly regulatory environment provides advantages that ideally position the state to take on the challenge of combating dementia and to become a major center of biomedical research.
- The state's current budget surplus presents a unique opportunity to provide funding for this research and improve the lives of millions in Texas and beyond.
- DPRIT could facilitate types of research that might not be pursued by private entities alone because they are not especially profitable, such as projects focused on prevention.

Comments by Opponents:

- The proposed amendment would create an open-ended, long-term financial risk for taxpayers outside the proper scope of government, and there are other appropriate priorities for public funds.
- Private industry, nonprofits, and universities are capable of addressing dementia research and treatment without government involvement in research.
- The proposed amendment would create a new state bureaucracy without sufficient accountability measures. Modeled after CPRIT, which has had problems with a lack of accountability in the use of public money, DPRIT could be even more problematic because dementia research is broader and more ambiguous in scope than cancer research and because DPRIT would involve more bureaucratic layers and political appointees, which could increase inefficiency and potential for favoritism in matters such as awarding grants or hiring staff.

Text of S.J.R. 3

SENATE JOINT RESOLUTION

proposing a constitutional amendment providing for the establishment of the Dementia Prevention and Research Institute of Texas, establishing the Dementia Prevention and Research Fund to provide money for research on and prevention and treatment of dementia, Alzheimer's disease, Parkinson's disease, and related disorders in this state, and transferring to that fund \$3 billion from state general revenue.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article III, Texas Constitution, is amended by adding Section 68 to read as follows:

Sec. 68. (a) The legislature shall establish the Dementia Prevention and Research Institute of Texas to:

(1) award grants to institutions of learning, advanced medical research facilities, public or private persons, and collaboratives in this state to provide money for:

(A) research into the causes of, means of prevention of, and treatment and rehabilitation for dementia, Alzheimer's disease, Parkinson's disease, and related disorders;

(B) research, including translational research, to develop therapies, protocols, medical pharmaceuticals, or procedures for the substantial mitigation of the symptoms of dementia, Alzheimer's disease, Parkinson's disease, and related disorders;

(C) facilities, equipment, and other costs related to research on dementia, Alzheimer's disease, Parkinson's disease, and related disorders; and

(D) prevention programs and strategies to mitigate the detrimental health impacts of dementia, Alzheimer's disease, Parkinson's disease, and related disorders;

(2) support institutions of learning and advanced medical research facilities and collaboratives in this state in all stages of:

(A) discovering the causes of dementia, Alzheimer's disease, Parkinson's disease, and related disorders;

(B) developing therapies, protocols, medical pharmaceuticals, or procedures for the substantial mitigation of the symptoms of

dementia, Alzheimer's disease, Parkinson's disease, and related disorders from laboratory research to clinical trials; and

(C) developing programs to address access to advanced treatment for dementia, Alzheimer's disease, Parkinson's disease, and related disorders; and

(3) establish the appropriate standards and oversight bodies to ensure the proper use of funding authorized under this section, including facilities development.

(b) The members of the governing body and any other decision-making body of the Dementia Prevention and Research Institute of Texas may serve six-year terms.

(c) The Dementia Prevention and Research Fund is established as a special fund in the state treasury outside the general revenue fund to be administered by the Dementia Prevention and Research Institute of Texas. The comptroller of public accounts shall credit to general revenue interest due to the fund.

(c-1) On January 1, 2026, the comptroller shall transfer \$3 billion from this state's general revenue fund to the Dementia Prevention and Research Fund. The transfer made under this subsection is not an appropriation of state tax revenues for the purposes of Section 22, Article VIII, of this constitution. This subsection expires January 1, 2029.

(d) The Dementia Prevention and Research Fund consists of:

(1) money transferred to the fund under this section;

(2) money the legislature appropriates, credits, or transfers to the fund; and

(3) gifts and grants, including grants from the federal government, and other donations received for the fund.

(e) Notwithstanding any other provision of this constitution, the Dementia Prevention and Research Institute of Texas, as established by general law, may use money in the Dementia Prevention and Research Fund only for the purpose of funding:

(1) grants for research on dementia, Alzheimer's disease, Parkinson's disease, and related disorders, research facilities, and research opportunities in this state:

(A) for the prevention, treatment, and rehabilitation of dementia, Alzheimer's disease, Parkinson's disease, and related disorders and the mitigation of the incidence of and detrimental health impacts from dementia, Alzheimer's disease, Parkinson's disease, and related disorders; and

(B) to develop therapies, protocols, medical pharmaceuticals, or procedures for the substantial mitigation of the symptoms of dementia, Alzheimer's disease, Parkinson's disease, and related disorders;

(2) the purchase, construction, or renovation, subject to the institute's approval, of facilities by or on behalf of a state agency or grant recipient; and

(3) the institute's operation.

(f) Not including any unspent money appropriated to the Dementia Prevention and Research Institute of Texas carried forward from the preceding state fiscal year, the legislature may appropriate not more than \$300 million from the Dementia Prevention and Research Fund to the institute for a state fiscal year.

(g) Before the Dementia Prevention and Research Institute of Texas may award a grant authorized under this section, the grant recipient must have available an unexpended amount of money equal to one-half of the grant amount dedicated to the research specified in the grant proposal.

(h) The reasonable expenses of managing the assets of the Dementia Prevention and Research Fund shall be paid from the fund.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2025. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment providing for the establishment of the Dementia Prevention and Research Institute of Texas, establishing the Dementia Prevention and Research Fund to provide money for research on and prevention and treatment of dementia, Alzheimer's disease, Parkinson's disease, and related disorders in this state, and transferring to that fund \$3 billion from state general revenue."

Senate Author: Huffman et al.

House Sponsor: Craddick et al.

Proposition 15

(S.J.R. 34)

The constitutional amendment affirming that parents are the primary decision makers for their children.

SUMMARY ANALYSIS

S.J.R. 34 proposes to add Section 37 to Article I, Texas Constitution, to affirm that a parent has the responsibility to nurture and protect the parent's child and the corresponding fundamental right to exercise care, custody, and control of the parent's child, including the right to make decisions concerning the child's upbringing. The proposed amendment would provide an express constitutional guarantee of these generally recognized rights and responsibilities.

BACKGROUND AND DETAILED ANALYSIS

S.J.R. 34, 89th Legislature, Regular Session, 2025, amends Article I, Texas Constitution, by adding Section 37 to enshrine a parent's fundamental right to exercise care, custody, and control of the parent's child, including the right to make decisions concerning the child's upbringing.

Currently a parent's fundamental, constitutionally protected right to direct the care, custody, and control of the parent's child is recognized in decisions made by the courts. However, court decisions may change over time, creating uncertainty for the future. The proposed amendment provides explicit constitutional protection for fundamental parental rights in the Texas Constitution.

SUMMARY OF COMMENTS

The following comments supporting or opposing the proposed amendment reflect positions that were presented in committee proceedings, during house or senate floor debate, or in the analysis of the resolution prepared by the House Research Organization (HRO) when the resolution was considered by the House of Representatives.

Comments by Supporters:

- Enshrining in the Texas Constitution the right of a parent to exercise care, custody, and control of the parent's children would provide a clear and solid legal foundation to protect parental rights.
- Courts have long recognized that parents have a constitutionally protected right to make decisions for their children. Such a fundamental right deserves a securely codified place in the Texas Constitution to ensure that it is not removed or diminished by future judicial decisions.
- By expressly recognizing parental rights and responsibilities in the text of the constitution, the proposed amendment would make parental rights easier to identify for parents and their lawyers, allowing them to cite the Texas Constitution to help defend their rights in court, and would provide clarity that could help avoid costly litigation.
- Protecting the rights of parents helps parents to meet their obligations to care for, nurture, and educate their children.
- The proposed amendment is not intended to expand or diminish any existing parental rights.

Comments by Opponents:

- The proposed amendment does not do enough to protect children's rights, which are not expressly addressed by the amendment.
- While not raised during legislative consideration of the proposal, a review of other sources indicates concerns that the amendment language stating that the established parental rights correspond with the responsibility of parents to nurture and protect their children could result in a parent's rights being conditioned on the government determining that the parent's responsibility has been fulfilled.

Text of S.J.R. 34

SENATE JOINT RESOLUTION

proposing a constitutional amendment affirming the rights and responsibilities of parents.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article I, Texas Constitution, is amended by adding Section 37 to read as follows:

Sec. 37. To enshrine truths that are deeply rooted in this nation's history and traditions, the people of Texas hereby affirm that a parent has the responsibility to nurture and protect the parent's child and the corresponding fundamental right to exercise care, custody, and control of the parent's child, including the right to make decisions concerning the child's upbringing.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2025. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment affirming that parents are the primary decision makers for their children."

Senate Author: Hughes et al.

House Sponsor: Frank et al.

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Proposition 16

(S.J.R. 37)

The constitutional amendment clarifying that a voter must be a United States citizen.

SUMMARY ANALYSIS

S.J.R. 37, 89th Legislature, Regular Session, 2025, proposes to amend Section 1, Article VI, Texas Constitution, to expressly provide that persons who are not citizens of the United States are prohibited from voting in Texas. Section 2, Article VI, of the Texas Constitution provides that a resident of the state who is a United States citizen is considered a qualified voter unless disqualified under Section 1. Section 2 implies that only a U.S. citizen is qualified to vote, but does not expressly disqualify noncitizens. The proposed amendment to Section 1 would clarify that noncitizens are ineligible to vote.

BACKGROUND AND DETAILED ANALYSIS

Section 11.002, Election Code, currently requires that an otherwise qualified person must be a United States citizen in order to vote in this State. Section 2, Article VI, Texas Constitution, provides that a Texas resident who is a citizen of the United States and not otherwise disqualified under Section 1 of Article VI shall be deemed a qualified voter. While Section 2 implies that only a U.S. citizen is qualified to vote, it does not expressly disqualify noncitizens.

Section 1, Article VI, Texas Constitution, expressly prohibits certain classes of persons from voting in this State. Those classes currently consist of persons under the age of 18 years, persons determined to be mentally incompetent, and persons convicted of felonies subject to statutory exceptions. However, Section 1 does not include a prohibition against voting by noncitizens of the United States.

S.J.R. 37 amends Section 1, Article VI, Texas Constitution, by adding persons who are not citizens of the United States to the classes of persons prohibited from voting in this State.

SUMMARY OF COMMENTS

The following comments supporting or opposing the proposed amendment reflect positions that were presented in committee proceedings, during house or senate floor debate, or in the analysis of the resolution prepared by the House Research Organization (HRO) when the resolution was considered by the House of Representatives.

Comments by Supporters:

- The Texas Constitution's express list of persons not qualified to vote includes people under age 18, those who are determined mentally incompetent, and certain persons convicted of felonies, but it does not list noncitizens, which could suggest that citizenship is not a priority qualification to vote in Texas.
- The proposed amendment does not expand state authority, as the Election Code already requires a voter to be a citizen of the United States. Codifying this voting requirement in the Texas Constitution would serve to improve voter confidence, eliminate confusion, and provide clear guidance for enforcement.
- The right to vote is a sacred liberty that servicemen and servicewomen, minority communities, and naturalized immigrants have worked hard to secure and demands a high standard for its security. The proposed amendment would provide important additional protection of this right.
- As some cities in other states have allowed noncitizens to vote in local elections, this measure safeguards Texas against this trend.
- Other states, varying in political ideology, geography, and demographics, have adopted constitutional amendments to prohibit noncitizens from voting.

Comments by Opponents:

- The proposed amendment is unnecessary because state and federal laws already limit the right to vote to American

citizens. Improper voting by noncitizens is rare, and passing a redundant constitutional amendment could confuse voters who might be led to believe that noncitizen voting is a bigger problem than it is.

- The amendment could lead to uncertainty among certain voters, especially those in historically marginalized communities, about their voting status and could inhibit some eligible people's participation in the democratic process.
- Consideration of this measure could potentially contribute to anti-immigrant rhetoric and actions.
- Passing an unnecessary constitutional amendment sets a precedent for nonessential expansion of state authority through constitutional amendments, which should be reserved for limited, necessary uses. Amending the Texas Constitution is not appropriate for taking a symbolic stand or responding to trends.

Text of S.J.R. 37

SENATE JOINT RESOLUTION

proposing a constitutional amendment clarifying that a voter must be a United States citizen.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1(a), Article VI, Texas Constitution, is amended to read as follows:

(a) The following classes of persons shall not be allowed to vote in this State:

- (1) persons under 18 years of age;
- (2) persons who have been determined mentally incompetent by a court, subject to such exceptions as the Legislature may make; ~~and~~
- (3) persons convicted of any felony, subject to such exceptions as the Legislature may make; and
- (4) persons who are not citizens of the United States.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2025. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment clarifying that a voter must be a United States citizen."

Senate Author: Birdwell et al.

House Sponsor: Noble et al.

Proposition 17

(H.J.R. 34)

The constitutional amendment to authorize the legislature to provide for an exemption from ad valorem taxation of the amount of the market value of real property located in a county that borders the United Mexican States that arises from the installation or construction on the property of border security infrastructure and related improvements.

SUMMARY ANALYSIS

H.J.R. 34, 89th Legislature, Regular Session, 2025, proposes to amend Article VIII, Texas Constitution, by adding Section 1-y to authorize the legislature to exempt from ad valorem taxation the amount of the market value of real property located in a county that borders the United Mexican States that arises from the installation or construction on the property of border security infrastructure, such as a border wall, and related improvements. Section 1-y also authorizes the legislature to define "border security infrastructure" and provide additional eligibility requirements for the exemption. The 89th Legislature also enacted H.B. 247, Regular Session, 2025, to implement the proposed exemption if the voters approve the constitutional amendment. H.B. 247 limits the exemption to border security improvements made under an agreement with the state or federal government or on an easement granted for border security use to the state or federal government.

BACKGROUND AND DETAILED ANALYSIS

Section 1, Article VIII, Texas Constitution, requires that taxation be equal and uniform and that all real and tangible personal property be taxed in proportion to its value unless the property is exempt as required or permitted by the constitution. The legislature may not exempt real or tangible personal property from ad valorem taxation unless the exemption is required or authorized by the constitution.

H.J.R. 34, 89th Legislature, Regular Session, 2025, proposes to amend Article VIII, Texas Constitution, by adding Section 1-y to authorize the legislature to

exempt from ad valorem taxation the amount of the market value of real property located in a county that borders the United Mexican States that arises from the installation or construction on the property of border security infrastructure and related improvements. Section 1-y also authorizes the legislature to define "border security infrastructure" and provide additional eligibility requirements for the exemption.

H.B. 247, 89th Legislature, Regular Session, 2025, is the enabling legislation for H.J.R. 34. The bill amends Subchapter B, Chapter 11, Tax Code, by adding Section 11.38, which would implement the tax exemption authorized by the constitutional amendment if the amendment is approved by the voters. Section 11.38 entitles an owner of real property located in a county that borders the United Mexican States to an exemption from taxation of the portion of the appraised value of the property that arises from the installation or construction on the property of border security infrastructure. Section 11.38 defines "border security infrastructure" to include walls and other barriers, roads, and surveillance equipment and provides additional requirements to qualify for the exemption. Specifically, to qualify for the exemption, the border security infrastructure must be installed or constructed on the property as part of a border security agreement with the state or federal government or on land that is subject to a recorded easement granted by the property owner to the state or federal government for border security use. H.B. 247 also includes provisions that govern the application for and administration of the new exemption.

SUMMARY OF COMMENTS

The following comments supporting or opposing the proposed amendment reflect positions that were presented in committee proceedings, during house or senate floor debate, or in the analysis of the resolution prepared by the House Research Organization (HRO) when the resolution was considered by the House of Representatives.

Comments by Supporters:

- As a result of state and federal initiatives to stop illegal border crossings and other border crime, infrastructure such as walls, roads, and surveillance systems has been built to enhance security and enforcement. While these projects are critical to the state's security, they should not place an unexpected and

unfair tax burden on Texans who own the land on which the infrastructure is built. The proposed amendment ensures that any increase in a property's appraised value due to the border security infrastructure will not result in higher property taxes.

- The proposed amendment would incentivize property owners to volunteer their property for border security enhancements. Some landowners may hesitate to install border security measures on their property due to potential increases in taxable property value, but providing for an exemption for the assessed value of the property associated with the border security infrastructure would encourage private property owners to support border security efforts without facing increased tax burdens.
- Individuals who volunteer to help establish and maintain border security infrastructure on their property should not be punished through higher taxes on their property but should be rewarded for contributing to the government's efforts to secure the southern border.
- The tax exemption would be provided for the value of the infrastructure installed on the property and any increase in property value from the improvements. It would not reduce the appraised value of the existing property.
- The proposed amendment would not require a property owner to install border security infrastructure and would only apply to property in counties along the Texas-Mexico border.

Comments by Opponents:

- The state should not provide tax exemptions that incentivize further border security infrastructure construction on private land, especially state-supported construction of walls or the installation of surveillance equipment.
- The proposed amendment would narrow the tax base and could shift the tax burden onto other property owners by removing property value from the tax rolls.

- The Texas Legislature should focus on providing broad-based tax relief rather than carving out certain limited exemptions.
- Local governments might have to adopt higher tax rates to offset the potential losses from the exemption.

Text of H.J.R. 34

A JOINT RESOLUTION

proposing a constitutional amendment to authorize the legislature to provide for an exemption from ad valorem taxation of the amount of the market value of real property located in a county that borders the United Mexican States that arises from the installation or construction on the property of border security infrastructure and related improvements.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article VIII, Texas Constitution, is amended by adding Section 1-y to read as follows:

Sec. 1-y. (a) The legislature by general law may exempt from ad valorem taxation the amount of the market value of real property located in a county that borders the United Mexican States that arises from the installation or construction on the property of border security infrastructure and related improvements.

(b) The legislature by general law may define "border security infrastructure" for the purposes of this section and may prescribe additional eligibility requirements for the exemption authorized by this section.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2025. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment to authorize the legislature to provide for an exemption from ad valorem taxation of the amount of the market value of real property located in a county that borders the United Mexican States that arises from the installation or construction on the property of border security infrastructure and related improvements."

House Author: Guillen

Senate Sponsor: Middleton et al.

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