

PROCLAMATION

BY THE

Governor of the State of Texas

41-3212

TO ALL TO WHOM THESE PRESENTS SHALL COME:

Pursuant to Article IV, Section 14, of the Texas Constitution, I, Rick Perry, Governor of Texas, do hereby disapprove of and veto Senate Bill No. 978 as passed by the Eighty-first Texas Legislature, Regular Session, because of the following objections:

Senate Bill No. 978 expands the types of projects that may be undertaken by a Public Improvement District (PID) without adequately protecting property owners in the PID from incurring the sole or disproportionate costs of projects that clearly have a general municipal or regional benefit.

These districts were created to enable their residents to fund improvement projects specifically targeted to their respective districts. However, Senate Bill No. 978 broadens the definition of projects that qualify for PID funding to include those that may not directly benefit the property owners who are subject to paying for them. The bill compounds this problem by both permitting projects located outside the PID district and creating districts with non-contiguous acreage, creating a patchwork system that leaves taxpayers with little hope of determining who is paying for what benefit. Under such a scenario, residents of three physically separate parts of a city could be forced to pay for a project located in the county.

I am concerned that provisions of this bill threaten to violate Texans' rights under Article 1, section 17 of the Texas Constitution, which protects property owners from having to pay project assessments that are not to their direct benefit.

Ultimately, the bill leaves too many unanswered questions about the reach and financial impact of Public Improvement Districts on Texas property owners. I strongly encourage interested parties and their respective legislators to revisit this legislation with an eye toward increasing transparency and setting clearly defined limits on what taxpayers are being asked to fund.

Since the Legislature by its adjournment has prevented the return of this bill, I am filing these objections in the office of the Secretary of State and giving notice thereof by this public proclamation according to the aforementioned constitutional provision.



IN TESTIMONY WHEREOF, I have signed my name officially and caused the Seal of the State to be affixed hereto at Austin, this 19th day of June, 2009.

Rick Perry

RICK PERRY
Governor of Texas

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
2 PM O'CLOCK

JUN 19 2009

ATTESTED BY:


COBY SHORTER, III
Deputy Secretary of State

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
2:17 P.M. O'CLOCK
JUN 19 2009