PROCLAMATION BY THE **Governor of the State of Texas** <u>41-3267</u>

TO ALL TO WHOM THESE PRESENTS SHALL COME:

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Pursuant to Article IV, Section 14, of the Texas Constitution, I, Rick Perry, Governor of Texas, do hereby disapprove of and veto House Bill No. 2972 as passed by the Eighty-Second Texas Legislature, Regular Session, because of the following objections:

House Bill 2972 would restrict Texans' power to vote on whether to maintain or increase a street maintenance tax. House Bill 2972 would allow municipalities to delay voter input by limiting the tax elections to once every eight years rather than the current four-year period. Texans should have the right to vote on tax measures sooner rather than later.

Since the Eighty-Second Texas Legislature, Regular Session, 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.



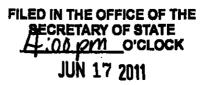
IN TESTIMONY WHEREOF, I have signed my name officially and caused the Seal of the State to be affixed hereto at Austin, this 17th day of June, 2011.

RICK PERRY

Governor of Texas

ATTESTED BY:

ESPERANZA "HOPE" ANDRADE Secretary of State



H.B. No. 2972

1 AN ACT 2 relating to the municipal sales and use tax for street maintenance. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 3 4 SECTION 1. Section 327.007, Tax Code, is amended by 5 amending Subsections (a) and (b) and adding Subsection (b-1) to read as follows: 6 7 (a) Unless imposition of the sales and use tax authorized by this chapter is reauthorized as provided by this section, the tax 8 expires on: 9 10 (1) the fourth anniversary of the date the tax 11 originally took effect under Section 327.005; or 12 (2) the first day of the first calendar quarter 13 occurring after: 14 <u>(A)</u> the fourth anniversary of the date the tax 15 was last reauthorized under Subsection (b); or (B) the eighth anniversary of the date the tax 16 17 was last reauthorized under Subsection (b-1) [this section]. 18 (b) An election to reauthorize the tax for a period of four years is called and held in the same manner as an election to adopt 19 20 the tax under Section 327.006, except the ballot proposition shall be prepared to permit voting for or against the proposition: "The 21 reauthorization of the local sales and use tax in (name of 22 23 municipality) at the rate of (insert appropriate rate) to continue providing revenue for maintenance and repair of municipal streets. 24

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<u>The tax expires on the fourth anniversary of the date the tax takes</u>
<u>effect unless the imposition of the tax is reauthorized.</u>"

3 (b-1) This subsection applies only to a municipality in 4 which 66 percent or more of the voters voting in each of the last two 5 consecutive elections concerning the adoption or reauthorization 6 of the tax authorized by this chapter favored adoption or 7 reauthorization and in which the tax has not expired as provided by Subsection (a) since the first of those two consecutive elections. 8 A municipality to which this subsection applies may call an 9 10 election to reauthorize the tax for a period of eight years instead of four years. The election is called and held in the same manner as 11 12 an election to adopt the tax under Section 327.006, except the ballot proposition shall be prepared to permit voting for or 13 14 against the proposition: "The reauthorization of the local sales 15 and use tax in (name of municipality) at the rate of (insert 16 appropriate rate) to continue providing revenue for maintenance and 17 repair of municipal streets. The tax expires on the eighth 18 anniversary of the date the tax takes effect unless the imposition of the tax is reauthorized." 19

20 SECTION 2. Section 327.008, Tax Code, is amended to read as 21 follows:

22 Sec. 327.008. USE OF TAX REVENUE. Revenue from the tax 23 imposed under this chapter may be used only to maintain and repair 24 municipal streets <u>or sidewalks</u> existing on the date of the election 25 to adopt the tax.

26 SECTION 3. This Act takes effect immediately if it receives 27 a vote of two-thirds of all the members elected to each house, as

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provided by Section 39, Article III, Texas Constitution. If this
Act does not receive the vote necessary for immediate effect, this
Act takes effect September 1, 2011.

H.B. No. 2972 Speaker of the House

President of the Senate

I certify that H.B. No. 2972 was passed by the House on May 5, 2011, by the following vote: Yeas 141, Nays 5, 1 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 2972 was passed by the Senate on May 25, 2011, by the following vote: Yeas 31, Nays10.

Secretary of the Senate

APPROVED:

Date

Governor

FILED IN THE OFFICE OF THE ORETARY OF STATE CLOCK ecretary of State