An Open Letter to the Citizens of Senate District 7

COMMITTEES: Intergovernmental Relations - Vice-Chair Education Finance Higher Education



CAPITOL ADDRESS P.O. Box 12068 Austin, Texas 78711-2068 (512) 463-0107 Fax: (512) 463-8810

Dear Friends And Neighbors,

As the former Harris County Tax Assessor-Collector, I am honored to have returned to public service as your State Senator for District Seven.

When the Legislative Session began, I was appointed to four committees by Lt. Governor Dan Patrick: Education, Higher Education, Finance, and was named the vice-chair of Intergovernmental Relations. Being named to four prestigious committees was such a privilege, and being named to the Finance Committee as a freshman - a huge responsibility. Representing Senate District 7 (SD 7), listening to constituents, and generating legislation with fellow Senators for what is best for the district and Texas has already been an incredibly rewarding job.

The Senate and the House worked diligently to help Texans gain \$4.05 billion in tax relief for homeowners and businesses. My main focus during the Session was property and business tax relief, education, and Right to Try legislation for the terminally ill. I also concentrated on trying to ensure local government transparency and supported sound pro-business measures, including those to encourage Texas' continued robust energy industry.

I am grateful to have worked alongside Governor Greg Abbott, Lt. Governor Dan Patrick (the former senator for SD 7), esteemed Senators, and House members on many bipartisan issues that produced worthwhile results. We passed some truly beneficial legislation. There is still more to do, and ways to prepare and succeed, in the interim.

I am extremely proud of the SD 7 office staff I assembled. They are a terrific group, stand ready to serve the district, and helped me immensely during the Legislative Session.

Thank you for allowing me to serve you in the Texas Senate. It is truly an honor and a privilege to be your voice at the Capitol. I look forward to continuing to represent SD7.

Sincerely,

Senator Paul Bettencourt Proudly Serving Senate District 7

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Senator Bettencourt being sworn in with fellow Senate Members.



 $Senator\,Betten court\,poses\,with\,his\,family\,at\,his\,desk\,on\,the\,Senate\,floor.$

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PAUL BETTENCOURT

Most Valuable Freshman Texas Senate Houston Republican

— Capitol Insider

State Senator Paul Bettencourt may have been the most politically seasoned freshman lawmaker ever in Texas after he was elected last fall to a seat in a Houston-area district that current Lieutenant Governor Dan Patrick had represented for eight years. A longtime GOP activist who'd served for a decade as the Harris County tax assessor-collector, Bettencourt seemed to make a seamless transition to the Legislature after a six-year hiatus in the private sector as a tax consultant. Bettencourt was the only one of four rookie Senate Republicans who'd ever held an elected office before taking the oath in January - and the nature of his specific experience made it possible to hit the ground running the moment he arrived at a Capitol where tax cuts would be the number one issue for the next 140 days...

Bettencourt took the initial lead on the upper chamber's tax relief plan in a way that gave Senate leaders an opportunity to see who would and wouldn't salute. After deferring to a more experienced colleague on the tax package authorship, Bettencourt continued to have an instrumental role on a plan that featured reductions in property taxes as a major component. Bettencourt had been tailor-made for the job as a former local official whose guiding mission had finding ways to control ad valorem levies that are the lifeblood for local government and public schools.

Bettencourt served as the chief Senate sponsor on 25 bills that the Legislature approved this year - three times the combined number that the chamber's other three true freshmen passed in their legislative debuts. Bettencourt proved to be a successful guide on bills that will boost local government transparency, stem cell research and the ability of patients who are terminally ill to be treated with experimental medications that haven't been federally approved yet. Bettencourt passed a bill that will repeal an obsolete inheritance tax and another that will give broadcasters a \$6 million break on state franchise taxes. But Bettencourt also dared to tread where most Republicans wouldn't want to go as the sponsor of a measure that will force specific-purpose committees to report money they raise and spend in school bond fights to the state for the first time...

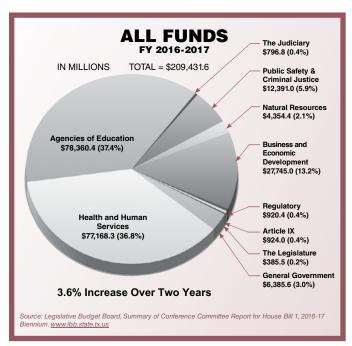
Bills Passed/Sponsored by the Senator

SB 449	SB 2056	HB 1879
SB 752	SCR 32	HB 2160
SB 849	HB 21	HB 2778
SB 965	HB 177	HB 2896
SB 983	HB 931	HB 3236
SB 1004	HB 1114	HB 3364
SB 1452	HB 1277	HB 3951
SB 1459	HB 1378	HB 4206
SB 2053	HB 1681	

BUDGET

Senator Bettencourt hit the ground running with the Senate Finance Committee as soon as Session began. After hearing many hours of testimony from state agencies, the Legislative Budget Board, and the public, the committee voted out a fiscally responsible budget in late March. After negotiations with the House, the final budget was approved by both chambers in late May. The budget included \$3.8 billion in franchise and property tax relief, \$1.3 billion to end the diversion of gas tax revenues to fund the Department of Public Safety thereby restoring this funding to transportation, \$811 million for border security, \$3.1 billion for capital construction projects at universities across the state, \$2.7 billion to fund new enrollment at public schools, and \$25 million to repair the Battleship Texas.

The budget for 2016-2017 will spend \$209 billion in all funds for the coming biennium, which is only a 3.6% increase over the previous budget. The budget was also under the Constitutional Spending limit, the Pay-As-You-Go limit, and came in below the projected rate of population plus inflation. The budget also left the Rainy Day Fund, which will have \$11 billion in it by the end of Fiscal Year 2017, untouched.



TAX RELIEF

Senator Bettencourt worked tirelessly to pass multiple bills providing tax relief for Texans during the 84th Legislative Session. The first bill he passed on the Senate floor in March was SB 752, which abolished the obsolete state inheritance tax.

With the strong leadership of Lt. Governor Patrick and Senate Finance Chairwoman Jane Nelson, the Senate also led the way to providing meaningful tax relief both to businesses (with franchise tax rate cuts) and to homeowners (by increasing the homestead exemption for school taxes). In addition, the Legislature repealed occupations taxes and numerous fees, which lowered the cost of doing business for professionals across the state.

In total, the Legislature passed bills providing a total of \$4.05 billion in tax relief, with \$2.6 billion of franchise tax relief in HB 32, \$1.2 billion in property tax relief through the increased homestead exemption in SB 1/SJR 1, and \$250 million in relief from occupations taxes in HB 7.

Although the cuts passed this session will provide meaningful tax relief, more remains to be done. There is

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HIGHLIGHTS OF THE 84TH LEGISLATION

a need for improved oversight of Appraisal Districts and Appraisal Review Boards to ensure that taxpayers are treated fairly and the laws governing property appraisal are enforced evenly. There is also a continued need for reform of the rollback tax rate process for cities, counties, and special districts to allow taxpayers to exercise their right to rollback tax rates without having to petition to do so.

Below are details on key tax bills that the senator authored, co-sponsored, or supported this Session:

- ★ SB1/SJR1 Increases the homestead exemption for school property taxes from \$15,000 to \$25,000, subject to voter approval in November. Homeowners with a homestead exemption will now save \$126 in school taxes annually.
- ★ HB 32 Cuts franchise tax rates by 25% for all businesses that pay the tax. Taxpayers will save approximately \$1.3 billion per year. This also allows businesses with up to \$20 million in revenue to file using the EZ rate.
- ★ SB 849 Allows commercial property owners with property worth up to \$3 million the option of going to arbitration, instead of district court, to appeal an appraisal review board (ARB) ruling. Senator Bettencourt worked with Representative Gary Elkins to pass this bill to provide property owners with another option to avoid litigation.

SB 1760 - ACCOUNTABILITY FOR LOCAL PROPERTY TAX INCREASES

During the 84th Legislative Session, the Senate made it a priority to also try to provide relief to all property taxpayers by reforming the process used by local governments to set tax rates. To that end, Senator Bettencourt filed SB 182,which would have lowered the rollback rate from 8% to 4% and required an automatic rollback election if a local government adopted a tax rate that exceeded the rollback rate. Other senators, such as Senator Brandon Creighton (R-Conroe), were also working on reform proposals.

Working together, Senator Bettencourt amended Senator Creighton's SB 1760 to require a 60% vote if the governing body of a taxing unit adopts a tax rate that exceeds the effective tax rate - in short, a 60% vote is necessary to raise taxes. This means that for the first time, a simple majority is not enough to raise taxes. A super majority of the taxing unit voting members must vote for a tax increase.

SB 1760 also requires the Comptroller of Public Accounts to provide a list of statewide property tax rates (for taxing units other than schools) each year, with the rates listed from highest to lowest. This will make it much easier for taxpayers to compare tax rates between neighboring taxing units. SB 1760 is a good first step in increasing the transparency and accountability of the property tax rate setting process.



Vice Chairman Bettencourt discusses important issues before the Senate Committee on Intergovernmental Relations.



Senator Bettencourt with Governor Abbott at the HB 1 bill signing ceremony, where the Governor referred to Senator Bettencourt as the "Architect of Tax Relief."

COMPASSIONATE CONSERVATIVE

During the Legislative Session Senator Bettencourt filed SB 694/HB 21, the Andrea Sloan "Right to Try" Act. This bill allows for terminally ill patients to have quicker access to safe, but experimental drugs and treatments that might extend their lives and give them more time to be with their loved ones. This bill cuts government red tape in situations where there are no alternatives, and where a terminally ill patient and his or her doctor want to use 'Right to Try' drugs and treatment options. Because of dedicated teamwork with House Representatives Kyle Kacal and Ken King, national experts from the Goldwater Institute and highly respected oncologists from MD Anderson, Texas is now the 21st state to enact this meaningful legislation.

Under current law, the FDA has a compassionate use exception policy that allows for terminally ill patients to receive drugs and treatments prior to FDA approval if the treating physician certifies that certain conditions are met. With this new law, which is already in effect, the FDA's lengthy and burdensome application process is eliminated and replaced with a more efficient system.

Senator Bettencourt was also the Senate sponsor for HB 177, which was authored by House Representative Bill Zedler. This legislation creates the Texas Adult Stem Cell Research Coordinating Board and Advisory Consortium, an advisory committee that will help to coordinate the efforts of universities and cord blood banks in their research of adult stem cells. They will also be given the task to help move toward furthering adult stem cell research through the establishment of regulatory standards, provision of grants and loans for research and development, and general assistance to the members.

BORDER SECURITY

One year ago, Texas launched Operation Strong Safety (OSS), coordinating local law enforcement, state partners and the U.S. Border Patrol's efforts to conduct land, air and maritime saturation patrols on a 24/7 basis to combat the cartels and other criminal elements in the Rio Grande Valley. During the 84th Session, the Texas Legislature and Texas leadership directed DPS and other key state agencies to continue Operation Strong Safety in those efforts to secure the Texas-Mexico border between Ports of Entry.

The state is significantly increasing its detection and interdiction capabilities with a combination of technology, resources, equipment and personnel. DPS will work with its local law enforcement partners to methodically secure the border under this strategy, zone by zone. The state will employ a system of detection capabilities to identify every smuggling attempt along the border.

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HIGHLIGHTS OF THE 84TH LEGISLATION

Since the inception of OSS, weekly apprehensions of illegal aliens (IA) by federal authorities have dropped dramatically. In order to ensure the ongoing success of OSS, the Legislature approved \$800 million in the budget to support the program. The Legislature also put forth a measure requesting federal reimbursement since the federal government has been unable or unwilling to secure the Texas border. Senator Bettencourt supported both of these actions and will continue to do what it takes to guarantee our borders are safe.

SECOND AMENDMENT

The 84th Legislative Session saw two major gains with respect to our 2nd Amendment rights. Two of the most important bills that were passed and signed into law are Senate Bill 11 and House Bill 910. The senator proudly co-sponsored both of these landmark bills. Senate Bill 11 by Senator Brian Birdwell (a distinguished, decorated veteran) allows concealed handgun license (CHL) holders to have the option to carry on most public colleges and universities in Texas.

Public colleges and universities will still be allowed to restrict concealed carry at certain sensitive locations (i.e. dorm rooms and high security facilities). Campuses must report annually to the Legislature the areas in which CHLs are not allowed. The Legislature protected private property rights for private colleges by allowing these campuses an option to "opt-out" on all buildings and property (except their parking lots) by posting specific signs on the campus.

Until the passage of HB 910, Texas was one of six states that did not permit their citizens to openly carry modern handguns. HB 910 has authorized the open carry of modern handguns in Texas by anyone with a license, so long as the handguns are carried in shoulder or belt holsters. In order to qualify for an open carry license, a person must be at least 21 years of age and have been a resident of Texas for at least six months. The individual must also pass state and federal background checks, attend a concealed handgun class, and pass a written and shooting proficiency exam. HB 910 will take effect statewide on January 1, 2016.

EDUCATION

Senator Bettencourt co-sponsored a bill with Senator Larry Taylor to re-structure the public school accountability system. The Commissioner of Education will now hold school districts accountable in five different domains; student achievement, student progress, closing gaps in achievement, academic achievement, and student and community engagement. Each individual campus will also be assigned an A-F rating. It is important for parents and communities to know how schools in their areas rate.

Senator Bettencourt authored and effectively passed SB 1004, which gives students in Harris County more options for dual credit courses. The new dual credit expan-



 $Senator\,Betten court\,addresses\,education\,issues\,during\,the\,84th\,Legislature.$

sion program for Harris County will improve flexibility to allow partnerships between school districts in Harris County, and any community college system that is also located in Harris County. This new program will also allow school districts to work with any community college system to offer unlimited dual credit courses and remove the current three-course limit.

The senator also authored an amendment to HB 2205, which gives local control to school districts to issue teaching permits. The bill allows schools to hire subject matter experts to teach non-core subjects such as Trade and Industrial Education. Human Resource personnel and campus leadership at the local level are in the best position to identify a community's specific needs and to evaluate the qualifications of potential teachers.

TRANSPORTATION

At the outset of the legislative session, Governor Greg Abbott called for investing in infrastructure, and declared transportation an emergency item so the State of Texas could continue growing jobs and alleviate the strain on its roadways. Legislation was passed that ensures we will reduce congestion, increase safety, properly maintain our transportation system, and keep Texans moving for decades to come. The new legislation also creates a performance-based transportation planning process that will ensure that this historic level of transportation funding is spent in a responsible, objective manner. TxDOT will now be required to conduct a thorough analysis of all TxDOT operated toll roads and present a plan to the legislature that will set us on a path to a toll free transportation system.

The legislature also passed SJR 5, which seeks to constitutionally dedicate a portion of the state sales tax and motor vehicle sales tax to the state highway fund. SJR 5 will be put before voters in November 2015 as Proposition 7 and, if approved, will represent the single largest increase to transportation funding in the state's history.

HJR 77 - U.S. CONSTITUTIONAL CONVENTION

Senator Bettencourt co-sponsored HJR 77, which would have had Texas join 34 other states who have previously applied, or are currently applying, under Article V of the United States Constitution for a Convention in order to address the alarming size and fiscal policies of the federal government. Our national debt now stands at over \$18 trillion and counting. The application contained in HJR 77 would have sought a Convention for the limited purpose of proposing amendments to the United States Constitution which impose fiscal restraints on the federal government, limit the power and jurisdiction of the federal government, and limit a federal official's terms in office, as well as members of Congress.

PREVENTING REAL ESTATE FRAUD

Senator Bettencourt worked with Representative Dwayne Bohac in getting a bill passed aimed at preventing real estate fraud. Prior to the passage of this bill, individuals filing real property transfer documents with the Harris County Clerk's Office did not have to present any form of ID whatsoever in order to file such documents. When the documents were later discovered to be fraudulent, law enforcement officers had a difficult time finding the perpetrators because no one knew who filed the documents. Now, the Harris County Clerk will be permitted to ask any person filing real property transfer documents to present an ID when filing such documents.

DISTRICT 7 UPDATE

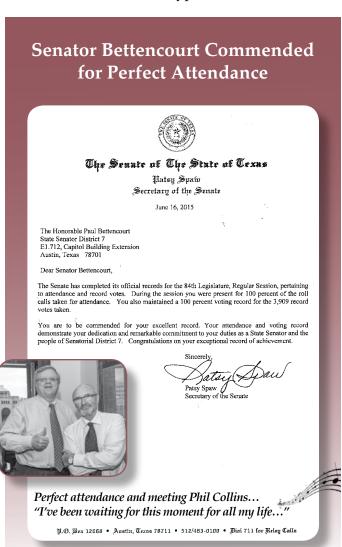
WHAT'S HAPPENING LOCALLY

Our district is one of continual growth and innovation. Below is the latest news on what is happening in the district

Texas A&M has partnered with HCC to form the Texas A&M - Chevron Engineering Academy at the HCC Spring Branch Campus.

Celebrate Freedom Week is the week of September 17th. The Legislature established Celebrate Freedom week to educate students about the sacrifices made for freedom in the establishment of this country, and the values on which this country was founded. Students are provided age-appropriate instruction on the intent, meaning, and importance of the Declaration of Independence and the U.S. Constitution (Including the Bill of Rights) in their historical contexts. Your local school or school district will have more information about Celebrate Freedom Week, and about ways you can volunteer.

Cypress Creek Greenway Project - The Cypress Creek Greenway Project, in partnership with the Cypress Creek Flood Control Coalition, is working hard to improve the quality of life in the Cypress area by promoting a multi-use approach to land use within the Cypress Creek watershed. The master plan for this project includes a trail system connecting a series of existing and future anchor parks threaded along the Greenway. This multi-use approach will serve to alleviate flooding, provide recreational opportunities, and preserve the natural habitat across the entire Cypress Creek watershed.





Senator Bettencourt, pictured on the Senate floor, with Pastor/Priest of the Day Father Troy Gately (St. John Vianney Catholic Church) of SD 7.

WHAT'S ONTHE NOVEMBER 3, 2015 BALLOT?

The proposed amendments to the Texas Constitution will be decided by you, the voters in the upcoming election on November 3, 2015.

PROPOSITION 1 - Increases the amount of the residence homestead exemption from ad valorem taxation for public school purposes from \$15,000 to \$25,000, provides for a reduction of the limitation on the total amount of ad valorem taxes that may be imposed for those purposes on the homestead of an elderly or disabled person to reflect the increased exemption amount, authorizes the legislature to prohibit a political subdivision that has adopted an optional residence homestead exemption from ad valorem taxation from reducing the amount of or repealing the exemption, and prohibits the enactment of a law that imposes a transfer tax on a transaction that conveys fee simple title to real property.

PROPOSITION 2 - Authorizes the legislature to provide for an exemption from ad valorem taxation of all or part of the market value of the residence homestead of the surviving spouse of a 100 percent or totally disabled veteran who died before the law authorizing a residence homestead exemption for such a veteran took effect.

PROPOSITION 3 - Repeals the requirement that state officers elected by voters statewide reside in the state capital.

PROPOSITION 4 - Authorizes the legislature to permit professional sports team charitable foundations to conduct charitable raffles.

PROPOSITION 5 - Authorizes counties with a population of 7,500 or less to perform private road construction and maintenance.

PROPOSITION 6 - Recognizes the right of the people to hunt, fish, and harvest wildlife subject to laws that promote wildlife conservation.

PROPOSITION 7 - Dedicates certain sales and use tax revenue and motor vehicle sales, use, and rental tax revenue to the state highway fund to provide funding for non-tolled roads and the reduction of certain transportation-related debt.

District 7: Helpful Numbers & Information

Senator Paul Bettencourt Contact Us

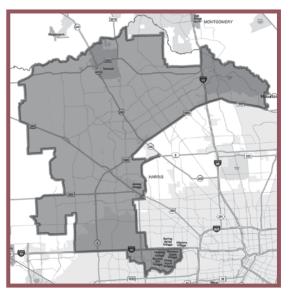
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DISTRICT OFFICE: 11451 KATY FREEWAY, **SUITE 209** HOUSTON, TEXAS 77079 (713) 464-0282 Fax: (713) 461-0108

If you are interested in having Senator Bettencourt speak to your group or organization, please contact his Capitol Office at (512) 463-0107. He is available to provide legislative updates or speak on specific issues.

> For additional online government services visit: texasonline.state.tx.us

District 7 Map





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Helpful Phone Numbers

Family and Community Services Mental Health Consumer Rights...

Office of Consumer Credit Commissioner Consumer Credit Helpline
Office of Attorney General (800)252-8014 Child Support
Office of the Governor Citizen's Assistance Hotline(800)843-5789 Texas Department of Assistive and Rehabilitative Services General Information(800)628-5115
Texas Department of Family and Protective Services Texas Abuse/Neglect Hotline

Texas Health and Human Services Comn	nission
24-Hour Information and Referral Networ	·k2-1-1
Disaster Assistance	(800)582-5233
Medicaid Hotline	
Medicaid Eligibility for Elderly & Disab	led
SSI-related food Stamp Benefits	(800)248-1078
Texas Department of Criminal Justice	
Crime victim Clearinghouse	(800)848-4284
Offender Status Line	(800)535-0283
Texas Department of Housing and Comn	nunity Affairs
Hotline	(800)525-0657
Citizen's Opinion Hotline	(512)475-3800
Public Utility Commission	(512)936-7000
State Bar of Texas	,
Grievance Information	(800)932-1900
Lawyer Referral Service	(800)252-9690
Texas Commission for Civil Rights	(888)932-1900

(000)422-2930	lexas Department of Aging and Disability Services
(800)252-8154	Area Agencies on Aging(800)252-9240
	Consumer Rights/Services(800)458-9858
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(800)582-5233	Texas Department of Insurance
(800)252-8263	Information and Assistance(800)252-3439
oled	Division of Workers' Compensation
(800)248-1078	Injured Worker Hotline(800)252-7031
(000)240-1070	Safety Violations Hotline(800)452-9595
(900)949 4294	
(800)848-4284	Texas Department of Public Safety
(800)535-0283	Emergency Roadside Assistance(800)525-5555
munity Affairs	Missing Persons Clearinghouse(800)346-3243
(800)525-0657	Texas Crime Stoppers Hotline(800)252-TIPS
(512)475-3800	**
(512)936-7000	Texas Medical Board
(512)/50 / 000	Consumer Complaint Hotline(800)201-9353
(800)932-1900	*
(800)252-9690	Texas Veterans Commission
(888)932-1900	Veterans Hotline(800)252-VETS
(300)752 1700	
uality	Texas Workforce Commission
(888)777-3186	Unemployment Insurance(800)452-4778
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.(800)422-2956 Texas Department of Aging and Disability Services

Texas Commission on Environmental Quality

Hotline..