

Editorial

Texas constitution

The stage is set

The stage is set. It's been on radio and television and in the newspapers. It's been billed as the biggest thing to happen to the state of Texas in 100 years and rest assured, it will be, one way or the other.

I am of course talking about the constitutional election next week. Tuesday, Nov. 4 to be exact. And what I meant when I say it will be the biggest thing to happen to the state of Texas in 100 years one way or the other is that if we don't adopt the proposed Constitution we're not going to be in any better shape than we were 100 years ago. If however we do adopt it, our fine state will have taken a step closer to the reality of the present.

What we as consumers of higher education in Texas (students that is) should see as the reality of the present is that our state's system of higher education needs more money. More money to improve both the quality and quantity of higher education in Texas.

We as students obviously realize the value of higher education. If we didn't, we wouldn't be in school. We should also see it as our responsibility to help higher education now and provide for its future growth and improvement. We can do this by voting for the proposed Constitution next Tuesday.

To say the least, the proposed Constitution offers the colleges and universities of Texas a greater chance for growth and expansion than they have ever known before.

If adopted, the Constitution will allow Texas A&M and the University of Texas to issue Permanent University Fund (PUF) bonds and notes at 30 per cent of the total value of the PUF. The present Constitution only allows for bond issues up to 20 per cent of the total. This of course will mean more money for the University of Texas (the state's largest university), and our own Texas A&M (the nation's fastest growing university).

The archaic restrictions on the use of PUF bond proceeds also have been lifted. Whereas the original document restricted the use of bond proceeds to permanent improvements, the proposed Constitution would allow the money to be used for the purchase of capital equipment and the acquisition of library books and materials.

The new Constitution also reestablishes a Higher Education Fund for other state colleges and universities. Its provisions would be similar to those set up for the use of the PUF by A&M and the University of Texas.

All in all, the proposed Constitution offers Texas' higher education the best deal it has had in 100 years. Take the time on Nov. 4 to vote for the proposed Texas Constitution. Remember, a better deal for Texas' higher education is a better deal for everyone.

Associated Press
AUSTIN — It is said that money ain't everything, but you wouldn't know it by analyzing Texas' current constitution.

A professor noted in 1957 that slightly less than one-third of the constitution was concerned with government finance, and since then over 50 of the 90 amendments that have been adopted have dealt with finance.

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In trying to curb this obsession with money, constitutional writers prepared for the proposed new constitution a finance article that cuts approximately 9,000 words out of the current article.

The main focus is on reforming the property tax system, and the changes apparently will help the homeowner and small property owners more than large property owners.

"Large financial interests, secure in many years of protection from paying their fair share of property taxes, would prefer to avoid the tax equalization provisions of the new constitution," says chairman Robert W. Calvert of the Citizens for a Texas Constitution.

Common Cause, the self-styled people's lobby, even insists that corporate opposition to annual legislative sessions is a smokescreen to hide their fear of property tax reform.

Although chairman Peyton McKnight of the Citizens to Preserve the Texas Constitution has not criticized the property tax proposals in detail, he claims the finance article "would produce unprecedented new taxes... can bankrupt the state and local governments and... encourages public debt."

The proposed constitution prohibits state property taxes, except for a dime tax on each \$100 of valuation for the Higher Education Fund and a 2-cents-per-\$100 tax for

state buildings that would — under the present constitution — have been phased out next year.

To overhaul the local property taxes administered by 1,500 assessment and collection offices, the new constitution would require the legislature to establish uniform statewide standards and procedures for appraising property.

It also requires each county to provide for a single appraisal of all property within the county.

Taxing agencies would still set their own assessment ratios and levy their own tax rate.

The new provisions would go into effect Jan. 1, 1978.

A new controversial provision would require the legislature to establish separate formulas for appraising farm and ranch land, which would be a tax break to encourage the production of food and fiber.

The proposed constitution provides a new method for taxpayers to cope with taxes they think are too

high. Citizens could pay their taxes under protest and contest them in district court, where judges could order refunds.

Other changes include: — A prohibition against levying a sales tax on food, except that sold in restaurants, prescription drugs or medicine, and agricultural machinery, fertilizer, feeds and seed.

— A mandatory \$3,000 property tax exemption for homes of persons 65 or older.

— Elimination of the \$80 million public welfare ceiling.

— A requirement that public money be used only for public purposes. Some feel, however, that those purposes should have been spelled out.

— A more precise definition of state debt, which may not be incurred until the debt is approved by two-thirds of each house and at a statewide election. "State debt" would include bonds that are supported by college student tuition fees.

— Authorization for the legislature to exempt from property taxes property owned by veterans' organizations, non-profit water cor-

porations and old, disable and people. The legislature also exempt Texas' historical, cultural and natural resources from such taxation.

The new constitution retains the "pay-as-you-go" principle for operating state government and serves three-fourths of the \$1.5 billion-a-year gasoline tax for highways and one-fourth for public schools.

It specifically provides, however, that if the legislature enacts a tax on oil refineries, the money goes to the general revenue fund.

Also retained is the legislative authority to exempt church, educational or charitable property from taxation.

And, finally, the new constitution is so silent on a state income tax that you could hear a penny drop.

The silence means such a tax could be levied. "Indeed," remarks George Boden, a constitutional expert who taught law at Yale, "one may say that this article... is alone almost worth the revision effort."

Tomorrow: Proposed changes in the education article.

