



MAJORITY RULE BEST PROTECTS TEXAS

Today the Governor proposed two constitutional amendments,¹ a California-style budget and tax restriction based on minority rule and a Colorado-style spending restriction based on an arbitrary formula unrelated to what Texas needs or can afford. Texans are best protected by a representative democracy based on majority rule without arbitrary restrictions. Texas faces many challenges but spending too much is not the problem. Texas ranks near the bottom in state spending. The Texas problem is that low- and moderate-income families pay too much in taxes while the top pays too little. Minority rule and arbitrary spending limits are designed to protect the top, not to protect Texas.

California-Style Minority Rule Would Not be Good for Texas

California amended its constitution to require a two-thirds vote of the Legislature to adopt a budget or increase tax revenues. Writing budgets and raising revenues are the ordinary business of government, but the California Legislature cannot act even with a vote of 65 percent. Because the majority no longer governs the California Legislature, the state is a disaster. Our own Governor's website² trumpets an October 29, 2009, article from *Trends Magazine*, describing California:

California is \$26 billion in the hole and has recently been paying its bills with IOUs. Its once-proud schools are suffering and the prison system is releasing criminals early because the state can't afford to keep them. Social services are being cut right and left. Infrastructure is aging and falling apart. Unemployment is nearing 12 percent. State employees are forced to take unpaid furlough days and many California cities are worse off than Detroit.

Colorado-Style Arbitrary Restrictions Would Not Be Good for Texas

The best decisions are those based on what Texas needs and can afford rather than an arbitrary formula. Colorado is the only state to adopt an arbitrary rule limiting spending increases to population growth and inflation. The results have been a disaster. In fact, Colorado voters decided in 2005 to suspend the limit so that the state could restore funding for vital public services. State costs go up depending on the growth in the populations who need state services, for example, the number of children who need education or the number of elderly who need long-term care, not general population. Costs also go up depending on what the state must buy such as health care, not general inflation. If a state arbitrarily limits spending growth to general population growth and inflation, then in short order the state can't meet the people's needs.

Our Texas Constitution wisely rejects arbitrary spending limits and instead limits spending based on what we can afford. The Texas Constitution caps spending non-constitutionally dedicated revenue, prohibiting it from growing faster than the rate of economic growth. Economic growth is the growth in total personal income. Total personal income—how much money we make—is the best measure of what we can afford to spend to meet our critical needs and ensure future prosperity. We do not need to amend our state constitution.

¹ See Office of the Governor, Rick Perry, at <http://governor.state.tx.us/news/press-release/14115/> accessed on January 6, 2010.

² See Perry/Governor/2010 at <http://www.rickperry.org/news> accessed on January 6, 2010.