

PROCLAMATION

BY THE

Governor of the State of Texas

TO ALL TO WHOM THESE PRESENTS SHALL COME:

WHEREAS, education is the foundation for the economic and cultural future of the state of Texas; and

WHEREAS, the constitutional responsibility for the development of an efficient system of public education rests with the legislature; and

WHEREAS, Texas must maintain an equitable system of school finance that ensures student performance and accountability are the primary goals; and

WHEREAS, educational excellence requires that the state provide resources to reward higher levels of student performance; and

WHEREAS, the state's system of accountability must include new measures of financial accountability and transparency in budgeting; and

WHEREAS, any changes in revenue structures must stimulate job creation and provide a healthy climate in which business can operate and expand; and

WHEREAS, local property taxes must be cut, controlled, and capped to ensure that Texans are not burdened by excessive property tax rates without a vote; and

WHEREAS, the current state of public school finance requires immediate action by the legislature to ensure the continued efficient and effective operation of Texas schools; and

WHEREAS, the people have placed the constitutional power to call and convene the legislature into special session in the hands of the Chief Executive Officer of the State;

NOW, THEREFORE, I, RICK PERRY, GOVERNOR OF THE STATE OF TEXAS, by the authority vested in me by Article IV, Section 8, of the Texas Constitution, do hereby call an extraordinary session of the 78th Legislature, to be convened in the city of Austin, commencing at 10 a.m. on Tuesday the 20th day of April 2004, for the following purposes:

To consider legislation that provides for performance based incentives to schools that attain higher levels of achievement.

To consider legislation that provides a cap on the growth in the appraisal values of homesteads for property tax purposes.

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11:45 AM O'CLOCK

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To consider legislation that provides a cap that is indexed to population and inflation on all property tax revenues received by local governments.

To consider legislation that provides reform of the property tax appraisal process, including having elected officials approve certification rolls, and requiring mandatory sales price disclosure of real property.

To consider legislation that provides for modifications to the recapture provisions of the school finance system, including but not limited to a constitutional amendment that links residential and non-residential tax rates at a lower level than provided by current law, providing for local enrichment.

To consider legislation that creates an Educational Excellence Fund to provide incentive funding, funding to maintain and enhance equity, and greater funding to address the needs of students with limited English proficiency.

To consider legislation on education reforms and property tax reduction proposals that benefit the school children and property tax payers of Texas.

To consider legislation that provides for an increase in cigarette and tobacco product taxes and fees and dedicating the revenue derived from the increase to the Educational Excellence Fund and for school property tax relief for taxpayers.

To consider legislation and amendments to the constitution that authorize and allow the placement and licensing of video lottery terminals at licensed racetracks and certain Indian reservations, providing that the revenue derived from such activity is dedicated to the Educational Excellence Fund, providing that the racetracks and tribes sign a contract with the state.

To consider legislation that privatizes the collection of delinquent taxes.

To consider legislation that provides for a reasonable tax and fees on certain adult entertainment venues.

To consider legislation that provides for an acceleration in the collection of tax revenues.

To consider legislation that reduces fraud in the sale of automobiles.

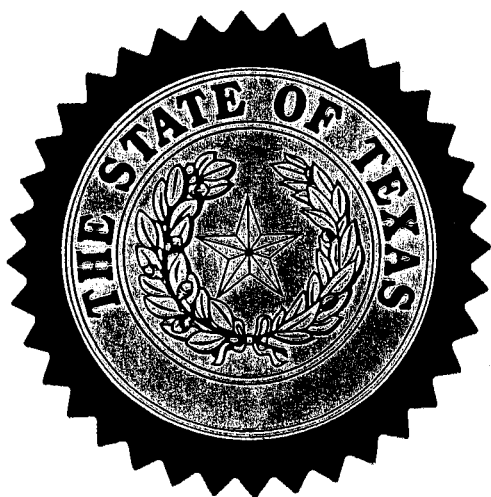
To consider legislation that closes loopholes in the franchise tax and dedicates the revenue from closing the loopholes to the Educational Excellence Fund and for school property tax relief for taxpayers.

The Secretary of State will take notice of this action and will notify the members

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of the Legislature.



IN TESTIMONY WHEREOF, I
have hereto signed my name and
have officially caused the Seal of
State to be affixed at my Office
in the City of Austin, Texas, this
the 15th day of April 2004.

Rick Perry

RICK PERRY
Governor of Texas

ATTESTED BY:

G. S. Connor

GEOFFREY S. CONNOR
Secretary of State

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