





# **Texas Public Policy Foundation's**

# \*Liberty Action Agenda

#### **SEVEN FOR '17**

The Seven For '17 from the Foundation's more comprehensive 2016-2017 Liberty Action Agenda is a road map for keeping Texas, and America, on the path of liberty. It emphasizes the most important issues facing Texas today to help policymakers and the public focus on the Lone Star State's top priorities:

- ✓ Establish educational freedom in Texas: adopt education savings accounts and other choice alternatives at the state and local level.
- ✓ Ensure that Texas government does not grow faster than the Texas economy: adopt a conservative Texas budget for 2018-19 that stays within population growth plus inflation and adopt a statutory tax and expenditure limitation using the same criteria that applies to the entire state budget.
- ✓ *Maximize growth and employment in the Texas economy by reducing taxes:* eliminate
  - the margins tax and require elections to approve a tax rate that increases property tax revenue by more than 4 percent or population growth plus inflation annually (whichever is less).
- ✓ Return constitutional sovereignty to the states: use an Article V convention and interstate compacts to restore the federal system of checks and balances.

- ✓ Promote liberty in local governance: remove excessive state control of local retirement systems to enable a shift toward a defined-contribution system, and require voter approval before cities can annex new areas.
- ✓ Promote accountability and transparency in state governance through ethics reform: require elected officials to disclose all sources of income from government entities; require state officials, rather than private citizens, to disclose lobbying gifts/expenditures; and stop the criminalization of political activity.
- ✓ Increase freedom to work, shop, and conduct business: provide paycheck protection by eliminating the ability of the state and local governments to serve as a dues collector for unions, end total state control of title insurance by giving consumers choice through competition, and stop the criminalization of economic activity.



#### THE LIBERTY ACTION AGENDA

In the middle of the second decade of the 21st century, our nation faces a choice. We have before us two paths: the first of control and statism, and the second of liberty and prosperity. Texas offers a compelling reason for America to continue down the second path. The 2016-2017 Liberty Action Agenda, divided into four overarching themes, provides a broad yet focused plan of action for Texans seeking to secure their liberty.

#### PROSPERITY vs. POVERTY

Liberty is the best path to human flourishing, and the only lasting antidote to poverty and disadvantage. An economy based on liberty creates opportunity and prosperity for all. To this end, Texas should work to:

- ★ Maximize growth and employment in the Texas economy by reducing taxes, fees, and regulation: eliminate the margins tax, eliminate the passenger vehicle safety inspection and its fees, and introduce competition into the title insurance market.
- ★ Increase freedom to work: reduce union interference in employment, target specific occupational licenses for elimination, reduce local government economic regulation, expand telemedicine, and reduce restrictions on medical scope of practice.
- ★ Establish universal school choice in Texas: adopt education savings accounts and other choice alternatives at state and local levels.
- ★ Increase education efficiency by designing a new public school finance system: make the system less complex, more cost efficient, and more transparent.
- ★ Improve the effectiveness of higher education through reduced costs and increased accountability: eliminate formula funding restrictions for students enrolled in affordable baccalaureate programs, reform the tuition revenue bond authorization process, and increase transparency in student fees.



## **TAXPAYERS vs. BIG SPENDERS**

In 2015, Texas taxpayers and their leaders scored a landmark victory when they secured a Texas state budget that increased by no more than the Conservative Texas Budget Coalition's recommended ceiling of population growth plus inflation, and simultaneously secured a historic \$3.8 billion tax cut package. But there is much to be done in the coming years, including to:

- ★ Adopt a conservative Texas budget: keep 2018-19 state budget growth within population growth plus inflation, and eliminate corporate subsidies.
- ★ Slow spending growth: adopt a statutory tax and expenditure limitation restricting the increase in state spending to the rate of population growth plus inflation.
- ★ Reform the appropriations process: adopt the Sales Tax Reduction Fund to cut waste from the budget while providing tax relief, and make the budget more transparent with a program-based appropriations bill.

- ★ Adopt omnibus water reform: change existing laws to ensure private water rights and the development of a competitive water market.
- ★ Reduce the tax burden on Texas property owners: further reduce property taxes; require elections to approve a tax rate that increases property tax revenue by more than 4 percent or population growth plus inflation annually, whichever is less; require ballot language transparency for bond elections; and stop the proliferation of local taxing districts.

### LIBERTY vs. STATE & LOCAL CONTROL

Texans have an independent spirit—they are entrepreneurs, doers, dreamers, and makers. Threats to this liberty and impediments to private property, to free enterprise, and to individual rights abound on every side. From federal government overregulation to local government overreach, here is how Texans can defend their liberties, using the rule of law to enforce the limited government that is so key to continued prosperity:

- ★ Protect property owners from state and local governments: reduce regulatory takings by local governments, and require fair compensation for property taken by eminent domain.
- ★ Reform civil asset forfeiture: change Texas laws allowing civil confiscation of property by mandating reporting requirements, making the government pay legal fees when it loses a forfeiture case in court, and increasing the burden of proof on the state.
- ★ *End involuntary annexation*: require voter approval before cities can annex new areas.
- ★ Reform local and state pensions: remove state control of local retirement systems, and shift toward a defined-contribution system.
- ★ Stop the overcriminalization of economic activity: eliminate non-penal code criminal penalties.

★ Promote accountability and transparency in state governance through ethics reform: require elected officials to disclose all source of income from government entities; require state officials, rather than private citizens, to disclose lobbying gifts/expenditures; and stop the criminalization of political activity.

# **TEXAS** vs. THE FEDS

In a Washington that has forgotten the rights and disregarded the voice of the governed, preferring to rule by fiat and decree, Texas stands as the last strong outpost of the Founding Fathers' dream. The Foundation has the platform to restore America to the practical ideals of its own Constitution and values, and so federal action is very much a part of the *Liberty Action Agenda*. We will work to:

- ★ Return constitutional sovereignty to the states: use an Article V convention and interstate compacts to restore the federal system of checks and balances, including in areas such as energy production and use, the environment, and health care.
- ★ Control the use and impact of federal funds in Texas: require all political subdivisions of the state of Texas to disclose all federal funds received, and require the Legislative Budget Board to document all sources of federal funds prior to session.
- ★ Return control of health care to the states and individuals: adopt Medicaid block grant legislation, and stop the expansion of Medicaid and Obamacare in Texas.
- ★ *Keep energy affordable*: eliminate the EPA's Clean Power Plan and other regulations that drive up the cost of energy.