



## Representative Morales Newsletter

Dear House District 74,

While the Legislative Session and the 1st and 2nd Special Sessions have concluded, I wanted to take a moment to write to you about three critical issues facing House District 74.

These include the recent property tax relief the Texas Legislature passed, the current conditions along the border, and how we plan to address school vouchers in a future special session later this year.

I hope you take a moment to read.

Sincerely yours,

**Eddie Morales, Jr.**

## Property Tax Relief for Texans

This past month, the Texas House of Representatives and the Texas Senate found consensus on a property tax bill that will provide roughly \$18 billion in relief for Texans who have been overburdened with outrageous property tax bills. Here is a look at what is in SB 2 and SB 3:

- Over **\$12 billion** was allocated to cut school district taxes for all homeowners, dropping property taxes an average of more than 40%. This compression will reduce the school property tax rate by 10.7 cents per \$100 valuation for homeowners and business properties.
- A raise in the homestead exemption (the tax amount exempted from the total value of a property) from \$40,000 to \$100,000. This, combined with tax compression, could yield **savings** at an average of **\$1,300** per year.
- Requiring counties with 75,000 or more people to have an appraisal district board of directors with up to five directors appointed by the taxing units, three directors are to be elected by county voters, holding local appraisal districts accountable to the people.
- For businesses, there is a 20% limit on appraisal value increases for non-homesteaded properties under \$5 million, as part of a 3-year pilot program and exempting businesses with

annual revenue of less than \$2.47 million from the franchise tax—up from \$1.23 million.

While no bill is perfect, this is a great bill that will provide relief to millions of homeowners throughout the state. During the debate process, I made aware to my colleagues of the concern Dr. Michelle Rinehart brought to my attention—that SB 2 prohibits school districts who utilize a “Local Option Homestead Exemption” (LOHE) to reduce their local exemptions, despite many districts being unable to afford to maintain current exemptions.

For example, Alpine ISD, located in the heart of House District 74, provides over \$630,000 in exemptions that could instead be invested in their students. I believe for the sustainability of many of our small and rural school districts, the state should not be compelling districts to maintain exemptions they cannot afford. At the least, the state should be reimbursing these payments to ensure students receive the quality education they deserve and so that districts have the means to fund their classrooms.

While I expressed these concerns, the Speaker and author of the property tax bill requested that we address this issue at the upcoming special session on public school finance. As Chairman of the House Public Education Committee, Dr. Brad Buckley has assured me that this is a concern to him as well and that he plans to incorporate it into his public school finance bill. I look forward to bringing this issue back up during the special session to ensure our school districts do not have their hands tied by the state when it comes to ensuring financial sustainability and student investments.

# Historic Property Tax Relief For Texans

- ✓ \$12+ billion to reduce the school property tax rate
- ✓ Increase in homestead exemption from \$40k to \$100k
- ✓ 20% "circuit breaker" on non-homestead residential and commercial properties
- ✓ A pilot project for the election of local appraisal boards



## The Current Conditions at the Border

Early last month, I sent another letter to Governor Abbott detailing some of the concerns expressed by residents along the border who have been impacted by Operation Lone Star and the continuing militarizing of our communities.

Our communities have been at the forefront of the migrant crisis and state and local governments have been collaborative in trying to combat the

increase in migrant traffic. Many property owners and small businesses have been the victims of extensive property damage that have accumulated, in some instances, over a million dollars in losses. That is unsustainable.

In my letter, I expressed the critical need to add the Border Compensation Fund as an emergency item to any future special session that may be called. Texans do not deserve to foot the bill for these damages, and many can not afford the expense to do so.

I have been a cautious supporter of Operation Lone Star for the past two years—and I am confident to say the operation has had substantial support from residents along the border. However, the presence of DPS running operations on private property and migrants crossing those properties, have caused significant damage that, without compensation is losing the support of Texans who believe in the importance of border security.

Moreover, the unilateral razing and dredging of the Rio Grande island adjacent to Shelby Park in Eagle Pass, without the consultation of local governments and the International Boundary and Water Commission, by Governor Abbott, is extremely concerning as it relates to maintaining constructive and collaborative efforts between state and local governments.

I urge Government Abbott to consider adding the Border Compensation Fund in a future special session to ensure Texans impacted by the crisis get the relief they need.

The people of House District 74—from Eagle Pass to Del Rio, to El Paso, believe in the importance of border security, but we also believe in the humanity of one another, even if they originate from across the river.

From the orange buoy barrier to razor wiring along the shore, and in some instances, submerged under the water, these means of deterrence are further inflicting a humanitarian crisis. It is heart-wrenching to watch mothers, children, and families seek the American dream, to a nation that prides itself on being the beacon of freedom and the epitome of immigrant acceptance, be met with direct orders to push children back into the river that has taken the lives of many due to strong and unseen currents. That is unacceptable and we are better than that.

I have seen the rhetoric of many throughout the state, who live far away from the crisis at hand and say that these migrants brought it upon themselves to face this treatment. I want to remind these individuals, and in many instances, my fellow colleagues, that we must appreciate the reason they are here: to build the life they aspire to and to ensure their children are better off than prior generations. We must seek compassion and humanity for one another and simultaneously enforce our laws—these two things are not mutually exclusive. I remind fellow Texans that rhetoric and words have the power to sew hate and disdain.

We have tried full deterrence the last 2 plus years and the State has little to show other than billions wasted. Now more than ever, the State can lead on immigration by initiating a migrant processing plan thru border land ports and investing in these land ports and the infrastructure that surrounds border communities. We can fight the illegal drug trade and fentanyl crossings by investing in sound infrastructure policies rather than wasting money on a 1,000-foot buoy barrier that serves as a gimmick and that migrants easily walk around to get to the Texas river bank. My proposed migrant plan would result in billions in revenue to the state and would send a clear message to migrants that reside in Texas that they will be asked to pay into the Texas system by working and paying a state income tax and processing fees and will impose conditions that will make them subject to removal if they receive any criminal violation higher than a Class C misdemeanor. I invite you to read my one-page proposal included here:

**TEXAS SECURE OUR BORDER  
MIGRANT PROCESSING PLAN**

- **GENERATE REVENUE FROM PROCESSING MIGRANTS:**
  - o \$2K initial "migrant processing fee" good for 3 year period unless otherwise revoked if found to be in violation of state requirements and conditions.
    - Example: Del Rio Sector ONLY:
    - 1,600 daily crossings X \$2K fee = **\$3.2 Mill / day**
    - \$3.2 Mill/day X 354 days in yr. = **\$1.132 Bill/ annually**
    - Approx. **1.5 million** migrants crossed thru Texas in 2022
    - **1,500,000** migrants X \$2K fee = **\$3 Bill / annually**
  - o Issuance of Migrant ID Card (purple colored card with RFID chip easily distinguishable from Tx. ID or DL cards).
  - o Revenue applied to Tx. General Revenue account.
  - o 25% earmarked to combat fentanyl and other illegal drugs at the border by funding border counties and LEOs.
  - o 25% earmarked to continue infrastructure and equipment investment at our border land ports.
  - o Assessment of a special "migrant state employment tax" that goes into the state's General Revenue account.
  - o Annual Renewal Fee (after the 3-year initial period) assessment for Migrants to remain in good standing.
  - o Renewal Fee goes to state General Fund earmarked at same percentages as above for border infrastructure investments and to continue to fight fentanyl and illegal drug smuggling.
  
- **REQUIREMENTS & CONDITIONS FOR MIGRANTS TO RESIDE IN TEXAS:**
  - o Migrants must prove they will be gainfully employed by submitting employment sponsorship letter.
  - o Migrants must remain gainfully employed during residency stay in Tx.
  - o Migrants may NOT seek nor are they eligible for state or federal benefits if approved to reside in Tx.
  - o No criminal activity above a Class C misdemeanor or Migrant faces immediate deportation out of Texas without possibility of re-entry.
  - o Minimum 5 yr. re-entry ban on those crossing thru the river or found to be unlawfully residing in Texas, and immediate deportation from the state.
  - o Failure to abide with any condition or special fee assessment may result in immediate deportation and/or imprisonment.
  
- **INVEST IN TEXAS BORDER LAND PORTS:**
  - o Use border land port facilities to process Migrants.
  - o Invest and expand Tx. land port facilities to combat Fentanyl & other illegal drug smuggling and to aid in processing of Migrants.
  - o Invest in scanning, X-ray, camera, surveillance, and computer equipment.
  - o Use of land ports will protect LEOs from risking their lives along the Rio Grande.
  - o Eliminate monetary incentive from cartels using Migrants as mules to cross drugs.
  - o Reduce/Eliminate exploitation, human smuggling, & sexual violence of Migrants.

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**On The Docket: School Vouchers**

From inside the Capitol, all indicators lead us to believe a 3<sup>rd</sup> Special Session will be called in October to address Governor Abbott’s “educational freedom” initiative—otherwise known as school vouchers. The essence of the idea is to use tax-payer dollars to provide students with a subsidy to “pay” for private school tuition. First, I want to talk about how we got here:

During the 88<sup>th</sup> Legislative Session, we overwhelmingly passed HB 100, which would have injected over **\$4.5 BILLION** into our already underfunded public school system. This bill, authored by Representative Ken King, would have required the state to fund 50% of all public education in the state—compared to the current ~45% in order to reduce the burden many school districts are facing. It would have also removed the requirement of a maximum allotment and increase the basic allotment to \$6,250 per student over the course of two years. Moreover, the legislation would have also significantly increased funding for transportation, special-needs education, and vocational programs. This, as well as increases to the minimum teacher pay and incentives for educators to obtain higher levels of certification and degrees so that our students are able to receive the highest quality of education possible. So what happened?

Regrettably, the legislation was hijacked in the senate and amendments were added to inject nearly half a billion in tax-payer dollars to fund private school tuition—payments up to \$8,000 per student; nearly \$2,000 more than our students get in the public school system. Despite such a large sum payment, these are one-time payments that, in many instances would not cover the full cost of private school tuition, let alone costs for transportation, uniforms, books, lunch, etc.. At best, this is an extremely bad policy—at worst, it is a scam.

Governor Abbott and voucher proponents have often echoed the same term of “educational freedom.” But I ask you: for whom? Will the students in Fort Davis ISD or Alpine ISD have access to private school options? Will students in Presidio? Let’s face it, students in rural areas will never see a dime of this money and it is unconscionable that the state would favor



students in certain areas over others. Yes, this is a harsh critique of the proposed voucher plans, but it is an honest one.

On a couple of occasions throughout the 88<sup>th</sup> Legislative Session, the Texas House rejected vouchers. We took a stance and overwhelmingly rejected any allocation of funds for a voucher program in the biennial budget, and once more we rejected the attempt of the Public Education Committee to go behind closed doors to pass the Senate's hijacked version of HB 100.

Simply put, there is no appetite for vouchers in the Texas House. Myself and a bipartisan coalition of rural, suburban, and urban Republicans and Democrats will stand strong in opposing vouchers no matter the threats the Governor makes. I will leave this discussion with a quote from Representative Ken King on this issue, "The Governor likes to threaten special sessions. . . well my opinion of that is I stand ready."



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As always, please do not hesitate to reach out to my office for any assistance with a state agency or to record your opinion on proposed legislation. You can reach us by phone: (512) 463-0566, by email: [District74.Morales@house.texas.gov](mailto:District74.Morales@house.texas.gov) or by physical mail: P.O. Box 2910 Austin, TX 78768.



Sincerely,

A handwritten signature in black ink, reading "Eddie Morales, Jr." with a stylized flourish at the end.

State Representative Eddie Morales, Jr.

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[Texas House of Representatives](#)

