

- SUBJECT:** Amending constitution to appraise open-space land for water stewardship
- COMMITTEE:** Ways and Means — favorable, without amendment
- VOTE:** 10 ayes — Hilderbran, Otto, Christian, Elkins, Gonzalez, Lyne, Murphy, Ritter, Villarreal, Woolley
- 0 nays
- 1 absent — Martinez Fischer
- SENATE VOTE:** On final passage, April 12 — 31-0
- WITNESSES:** (*On House companion joint resolution, HJR 107:*)
For — Laura Huffman, The Nature Conservancy of Texas; (*Registered, but did not testify:* Paige Fish, ConocoPhillips; Ken Kramer, Lone Star Chapter, Sierra Club; James LeBas, Texas Chemical Council, Texas Oil & Gas Association)
- Against — None
- BACKGROUND:** Under the Texas Constitution, Art. 8, sec. 1-d-1, the Legislature by general law must provide for taxation of open-space land devoted to farm, ranch, or wildlife management purposes on the basis of its productive capacity and may provide for taxation of open-space land devoted to timber production on the basis of its productive capacity. The Legislature may provide eligibility limitations and may impose sanctions.
- DIGEST:** SJR 16 would amend the Texas Constitution, Art. 8, sec. 1-d-1 to require the Legislature to provide for taxation of open-space land devoted to water stewardship purposes on the basis of its productive capacity.
- The constitutional amendment would take effect January 1, 2012.
- The proposed constitutional amendment would be submitted to the voters at an election on Tuesday, November 8, 2011. The ballot proposal would read: “The constitutional amendment providing for the appraisal for ad valorem tax purposes of open-space land devoted to water-stewardship

purposes on the basis of its productive capacity.”

**SUPPORTERS
SAY:**

SJR 16 would create an incentive for landowners to partner with the state to protect water quality and increase conservation efforts. Over 90 percent of Texas water flows through or under land owned by private individuals, and SJR 16 would encourage those landowners to be good stewards of the water.

One of the suggested water management strategies of the State Water Plan is voluntary land stewardship. The plan recommends controlling nuisance vegetation and erosion and conserving wetlands to improve the health of the state’s watersheds. The plan also warns that Texas will soon face water shortages and advocates active conservation. SJR 16 would assist Texas in achieving this important goal and would help to ensure a safe and adequate water supply.

Despite some overlap between the wildlife valuation and the water stewardship valuation, mainly in the areas of erosion control and habitat stewardship, this overlap would have positive effects. The practices that could qualify under both the wildlife valuation and the water stewardship valuation could benefit both wildlife and water, expanding options for landowners to protect valuable resources.

**OPPONENTS
SAY:**

SJR 16 is unnecessary because it would duplicate options that are already in place under the wildlife management valuation.

The proposed constitutional amendment and its enabling legislation is not needed because farmers and ranchers who qualify for an agricultural valuation are practicing water conservation in order to keep their stocks and crops productive. A separate water stewardship designation is not needed when landowners already practice water conservation. Landowners in Texas already enjoy several tax breaks, and this bill would provide an excessive and unnecessary addition.

NOTES:

The enabling legislation, SB 449 by Watson, is on today’s General State Calendar.

The companion joint resolution, HJR 107 by Ritter, was considered in a public hearing by the House Ways and Means Committee on April 18 and left pending.