

OFFICE OF THE GOVERNOR Rick Perry

For Immediate Release Governor's Press Office: 512-463-1826

Aug. 21, 2006 Kathy Walt: kwalt@governor.state.tx.us

Perry Creates Texas Task Force on Appraisal Reform

Panel to Recommend How to Curtail Skyrocketing Appraisals

DALLAS – Gov. Rick Perry announced today that he is creating the Texas Task Force on Appraisal Reform (TFAR) to study and make recommendations on how to address Texans' continuing concerns over skyrocketing property appraisals. He appointed Tom Pauken of Dallas to chair the advisory group.

"Earlier this year, we provided Texas property owners with the largest property tax cut in state history – a 33 percent reduction in their school property tax rates over the next two years," Perry said. "Now we need to address the rest of that equation: the silent tax hikes of rising appraisals."

"If people are going to pay more in taxes to local government," Perry said. "It ought to come because of a vote and not the appraiser's note."

In his executive order creating the panel, Perry directed the TFAR with establishing a system for gathering public input throughout the state. The order also directs the Task Force to develop recommendations to improve the current tax appraisal process so that taxpayers are not burdened with tax levies that continue to rise rapidly while providing a long-term, stable source of revenue for essential government services. Perry asked for the recommendations prior to the start of the next session of the legislature on Jan. 9.

Perry stated he wants the task force to, "strike a proper balance between protecting taxpayers and ensuring funding for essential services. I have asked them to put everything on the table – no sacred cows, and no pre-arranged conclusions."

The appointment of the Task Force continues Perry's long-standing goal of providing Texans relief from skyrocketing appraisals and property taxes that drive the dream of home ownership out of the hands of many young Texans, and force many senior Texans out of their homes because they can no longer afford the taxes. Perry has previously called on the legislature to cap annual property appraisals to protect Texans and to limit growth in property tax revenues to inflation plus population growth. Today he said he wants the commission to develop its own independent recommendations while keeping the plight of the taxpaying public foremost on its mind. Perry also took issue with the contention that the savings from this summer's historic school property tax cut will be undermined by appraisals.

"The question is not what you are paying today compared to last year, but what you are paying today compared to what you would have paid under the previous rates," Perry said. "By any fair measure, millions of Texans will realize significant savings on their school taxes, including a one-third reduction starting in the fall of 2007." The following is a simple example of how the math works:

The Smith family paid \$2,000 in school taxes last year at \$1.50 per \$100 of assessed value. This year, with rates reduced to \$1.33, school would be reduced to \$1,766. If their taxable value grew the maximum 10 percent under the law because of a rapidly rising appraisal, their total tax bill under the Perry property tax cut would end up being \$1,942. But had rates not been cut, their bill would have grown to \$2,200. That yields a savings of \$258, not \$58.

Smith family:

2005 at \$1.50 \$2,000

2006 at \$1.33 \$1,766

10% appraisal increase for 2006 \$ 176

Total tax bill under new law \$1,942

10% appraisal increase if law was unchanged \$200

Total tax bill if law was unchanged \$2,200

Total Tax difference \$ 258

The appointees to the Task Force are:

Thomas W. Pauken of Dallas is president of TWP, Inc. He is a member of the State Bar of Texas and serves on the board of trustees of the Intercollegiate Studies Institute. Pauken is a member of the Knights of Columbus and a life member of the Veterans of Foreign Wars. He formerly served on the National Advisory Council on Vocational Education and the Commercial Space Transportation Advisory Committee of the U.S. Department of Transportation. Pauken served on the White House staff under President Reagan and as Reagan's Director of Action, an independent agency designed to encourage volunteerism. Action is the predecessor agency to today's Americorp. He also has been vice president and corporate counsel of a Dallas-based venture-capital company and on the board of various public and private companies. A graduate of Georgetown University, Pauken received a law degree from Southern Methodist University School of Law.

Gerald "Buddy" Winn of Bryan is the Brazos County tax assessor/collector and chief appraiser. He is a member of the Tax Assessor Collectors Association of Texas and the Texas Association of Appraisal Districts. Winn serves as a board member of the Workman's Compensation Fund of the Texas Association of Counties. He served on the State Property Tax Board and the Texas Association of Assessing Officers. Winn is a registered Texas assessor, professional appraiser and tax collector, and a certified tax administrator.

Robert A. Eckels serves as the Harris County Judge. He also serves as director of the county's Office of Homeland Security and Emergency Management. A former state representative, Eckels is a member of the State Bar of Texas and chairman of the Harris County Juvenile Board and the National Association of Counties. He also serves as president of the County Judges and Commissioners Association of Texas and serves on an advisory committee to President Bush's Homeland Security Council. He is past president of the County Executives of America. A graduate of the University of Houston, Eckels received a law degree from the South Texas College of Law.

Avis Wukasch of Georgetown is a realtor with Keller Williams Williamson County Market Center. She is chairman-elect and former secretary treasurer of the Texas Association of Realtors (TAR). Wukasch has served on various committees of the TAR. She also served on the Women's Council of Realtors as local chapter president, Texas district vice president and national governor for the Houston district. A graduate of the University of Texas, Wukasch received her real estate salesman's license and broker's license from the Institute of Real Estate. Wukasch is certified to teach mandatory continuing education for Texas real estate licensees and also pre-licensing classes for future Texas real estate licensees on agency, marketing, law and contracts.

Calvin W. Stephens of Dallas is president and chairman of SSP Consulting, L.C. Stephens is a board member of the Metropolitan YMCA of Dallas, the Southern Methodist University Cox School of Business, the Cotton Bowl Athletic Association and the University of North Texas College of Business Administration. He is a board member and past chairman of the Southern Dallas Development Corporation, and a member of the Leadership Dallas Alumni Association. He served in the U.S. Air Force for three years before being honorably discharged. Stephens received a bachelor's degree in marketing from the University of Houston and a master's degree in business administration from Southern Methodist University.

John E. Nichols of Freeport is the director of U.S., state and local tax for the Dow Chemical Company. He formerly served as an appraiser for the firm of Kennedy Holtkamp, Inc., and has worked as a petroleum engineer for Dowell Schlumberger, Inc. Nichols is a member of the tax advisory group of the Texas Comptroller of Public Accounts, the Committee on State Taxation, the Institute for Professionals in Taxation and the National Tax Association. He is also a member of the Taxpayers and Research Association, the Tax Executives Institute and the International Association of Assessing Officers. He is a published writer in the Journal of Property Tax Management and has received the Institute for Professionals in Taxation's literary award. Nichols received a bachelor's and master's degree in petroleum engineering, and a master's degree in land economics and real estate from Texas A&M University.

Michael S. Stevens of Houston is the chairman of Michael Stevens Interests, Inc., a real estate development and management company. He serves on the board of directors and executive committee of the Greater Houston Partnership and the Governor's Business Council. Stevens serves on the board of trustees of the Baylor College of Medicine, where he also serves as chairman of the building and interiors committee. He is chairman of the Transportation Task Force of the Governor's Business Council and serves on the board of directors of the Memorial Hermann Foundation and the Urban Center Advisory Board of the Brookings Institute. He formerly served as the finance vice-chairman of the Harris County-Houston Sports Authority and chairman of the Houston Housing

Finance Corporation. Stevens served in the United States Marine Corps and received his bachelor's degree in business administration from the University of Houston.

John R. (Bob) Garrett of Tyler is the president of Fair Management, L.C., and Fair Oil Company of Texas, Inc. He serves as a board member and treasurer of the Tyler Economic Development Council, as a board member of the Tyler Area Chamber of Commerce and is on the steering committee of the Tyler 21 Comprehensive City Plan. Garrett is the Texas representative to the National Association of Home Builders executive committee and is a past president of the Texas Association of Builders and the Tyler Area Builders Association. A graduate of Stephen F. Austin State University, he received a master of business administration degree from the University of Texas at Tyler.

L. Curtis Culwell of Garland is the superintendent of the Garland Independent School District. He formerly served as president and vice president of the Texas School Alliance, and is a former member of the National Association of Secondary School Principals. Culwell also previously served on the board of directors of the Texas Principals Leadership Initiative and the Texas Academic Decathlon. He is a member of the American Association of School Administrators and the University Interscholastic League Legislative Council. He previously served as chairman of the March of Dimes Walk America and as a board member of the Lubbock Chamber of Commerce, the United Way of Lubbock, the Foundation of Excellence and the Lubbock Regional Arts Association. He received his bachelor's degree from Sam Houston State University and both his master's and doctorate degrees in educational administration from Texas A&M University -Commerce.

Timothy P. Roth of El Paso is a professor of economics at the University of Texas at El Paso. He is also chairman of the Department of Economics and Finance and is a member of various committees at the university. Roth is a member of the American and Western Economic Associations, the American Statistical Association and the National Association of Scholars. He is a public member of the Texas Sunset Advisory Commission. Roth also serves as a member of the Mathematical Association of America and the International Atlantic Economic Society. He received a bachelor's degree in economics from Albright College, a master's degree in economics from the State University of New York at Binghamton and a doctorate degree in economics from Texas A&M University.

John David Franz is the mayor of the City of Hidalgo. He is a senior law partner with Franz and O'Hanlon, Inc., a civil trial law firm. Franz is the director and former vice president of the Lower Rio Grande Valley Development Council, and serves as a member of the urban county advisory board of Hidalgo County and as an ex-officio member of the Hidalgo-McAllen-Reynosa International Bridge Board. He is a member of the Texas Trial Lawyers Association and is a founding member of the Association of Hispanic Municipal Officials. A graduate of Pan American University, Franz received a law degree from the University of Texas School of Law.

Gary O. Boren of Lubbock is the vice president of G. Boren Services, Inc., where he previously served as a general manager. Boren is a city councilmember of District 3, the City of Lubbock. He is a member of the Texas Work Source Board and is the advisory board director of the American Bank of Commerce. Boren has previously served as president, vice president and member of the board of trustees of the Lubbock Independent School District and as chairman of the Lubbock Chamber of Commerce. He is a member of various organizations at Texas Tech University, including the Chancellor's Council, the Red Raider Club and the Society of the Spur. Boren received a bachelor's degree from Texas Tech University.

Robert E. Garrett of Amarillo is owner and broker of Coldwell Banker First Equity Realtors. He serves on the board of directors of the Amarillo Chamber of Commerce and is chairman of the appraisal district procedures task force of the Texas Association of Realtors, and the National Association of Realtors State and Municipal Government Spending and Taxation Committee. Garrett is a board member of the West Texas A&M University Foundation and is a former board member of the Potter County Appraisal Review Board. He received a bachelor's degree in business administration from West Texas A&M University.

Brooke Leslie Rollins of Fort Worth is president and CEO of the Texas Public Policy Foundation. She serves as director of Texas Lyceum and is a member of the State Bar of Texas, the Texas Women's Alliance and the Dallas A&M Club. Rollins previously served as Gov. Perry's deputy general counsel and ethics advisor, and later as his policy director. She spent several years as a litigator with Hughes & Luce, L.L.P., in Dallas, and also completed a federal judicial clerkship with the Honorable Barbara M.G. Lynn, a U.S. Federal District Judge in the Northern

District of Texas. Rollins graduated cum laude from Texas A&M University and received a law degree from the University of Texas School of Law.

Rolando B. Pablos of San Antonio is an attorney in private practice. He serves on the board of directors of the Nueces River Authority and the Free Trade Alliance. Pablos serves as a member of the Greater San Antonio Chamber of Commerce public affairs steering committee, the board of directors executive committee of the San Antonio Hispanic Chamber of Commerce and the advisory council to the University of Texas at San Antonio College of Business. He is also president of Texans for Taxpayer Relief. From 2002 to 2004, he was a member of the board of directors of the Greater San Antonio Chamber of Commerce. A graduate of St. Mary's University, Pablos received a master's degree from the University of Texas at San Antonio and the University of Houston. He received his law degree from St. Mary's University School of Law.