

ROBERT NICHOLS

A MESSAGE FROM SENATOR NICHOLS

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COMMITTEES:
Intergovernmental Relations, Vice Chair
Subcommittee on Flooding & Evacuations
Health & Human Services
Natural Resources
Nominations
Sunset Advisory Commission
Transportation & Homeland Security

ROBERT L. NICHOLS
STATE SENATOR

Dear friends,

The legislative session recently completed in Austin was one of the most challenging in recent memory. We faced a significant loss in state revenue, the challenge of redistricting state and Congressional districts, and controversial issues such as requiring voters to present ID. You, however, did not elect representatives to avoid tough decisions and the Legislature was able to pass a balanced budget, pass all required redistricting plans and pass a voter ID requirement.

This newsletter is to help inform you about what happened at your state capitol during the 140-day legislative session and 30-day special session. As your state senator, I believe it is important to report directly to you.

Some of the topics inside include:

- ★ *balancing the state budget*
- ★ *education funding*
- ★ *fighting excessive water rates*
- ★ *voter ID*
- ★ *reforming state agencies*
- ★ *protecting private property rights*
- ★ *the right to self defense*
- ★ *preventing Medicaid fraud*

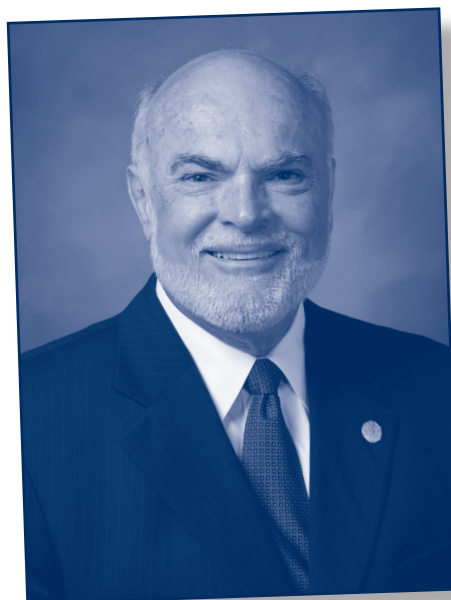
I hope you find this newsletter helpful and informative. If you have any questions or comments, please do not hesitate to contact me. On the back cover, you will find information about how to reach my Capitol and district offices. Your input is essential for me to best represent you in the Texas Senate.

Thank you for the opportunity to serve,

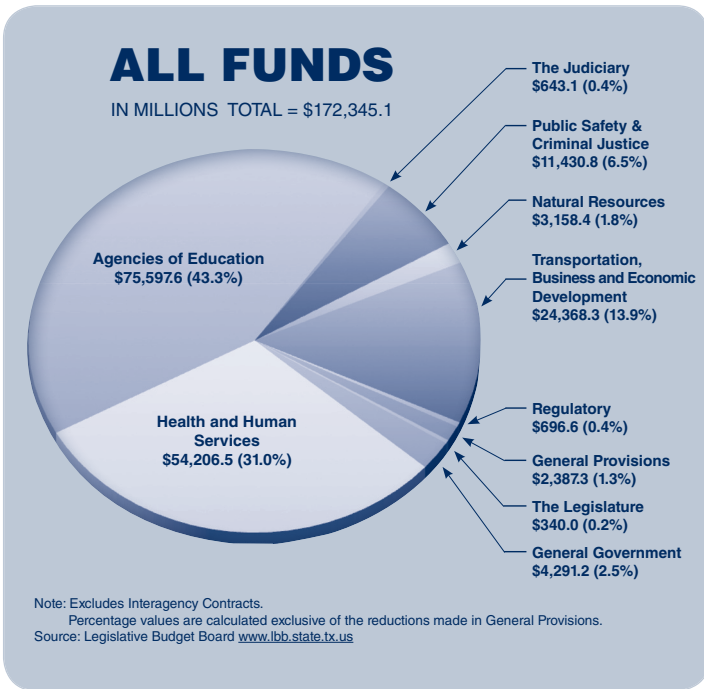
A handwritten signature in blue ink that reads "Robert L. Nichols".

Robert L. Nichols
State Senator

P.S. - On November 8, Texas citizens will have the opportunity to vote on amendments to our state constitution. Look inside to find out how you can access a voter's guide to the proposed amendments.



LEGISLATIVE OVERVIEW OF THE 82ND SESSION



★ PASSING A BALANCED BUDGET WITH NO NEW TAXES

Unlike the federal government, the Texas Legislature is constitutionally required to pass a balanced budget. It took a special session to finish the work, but the Legislature passed a balanced budget and did not create any new taxes despite a significant reduction in state revenue. Overall spending was cut by \$15.2 billion, and the integrity of the state's emergency reserve, known as the Rainy Day Fund, was protected. Keeping money in the Rainy Day Fund is important because the state faces potential shortfalls in the future due to increased Medicaid costs, global economic uncertainty and the potential threat from natural disasters like hurricanes, flooding and drought.

★ EXTENDING SMALL BUSINESS TAX EXEMPTION

Small businesses are the backbone of our economy and the number one driver for job growth. Understanding this, the Legislature in 2009 gave an exemption to the state franchise tax for businesses with less than \$1 million in annual sales. That exemption was set to expire at the end of the fiscal year, but the Legislature extended it. To let the exemption expire would have the effect of raising taxes on small business just when we need them the most to help fuel an economic recovery. I am proud Texas is still a state where if you are willing to work hard enough and take the risks to create your own business, the state will encourage that entrepreneurship and not stand in your way.

★ FUNDING EDUCATION

One of the hardest parts of balancing the budget was finding a way to adequately fund education. Original budget proposals called for an \$8 billion decrease in public education dollars when accounting for growth. The Senate

worked to reduce that number to \$4 billion, which was the final cut.

Additionally, state and federal leaders were able to secure federal education dollars Texas had previously been denied. This will help offset some of the loss of state dollars. The Legislature also created greater flexibility for school districts so every dollar can be used as effectively as possible.

While education is one of the last places we want to reduce funding, it makes up such a large percentage of state spending it would be nearly impossible to balance the budget without some changes. However, as a state we must continue to do better in the future including creating greater equity in funding for school districts.

★ ESTABLISHING PROTECTIONS FOR WATER USERS

This session I continued my work to push back against excessive rates and lack of service faced by some Texans from their water and waste water providers. While most water and waste water providers are responsible parties that serve communities well, there are a handful of water utilities who provide poor, expensive service or no service at all. Yet, through state granted monopolies, landowners have no other choice for this essential service. My bill, SB 573, passed this session and will allow most communities not receiving service a way out of the monopoly and the ability to contract with another water provider.

Additionally, I was selected to co-chair a subcommittee to study these issues and make recommendations for the next session. By educating other members of the Legislature about the problems caused by the current system, I believe we can pass additional reforms



Sen. Nichols discussing an issue with Sen. Ogden, chair of Senate Finance

LEGISLATIVE OVERVIEW OF THE 82ND SESSION



Sen. Nichols and Sen. Williams enjoy a light moment with two young Texans honored on the Senate floor. With help from their families, the boys held a contest to determine the best cupcake in Texas which raised funds for cancer research and prevention.

next session. In the meantime, I will continue to work with communities facing excessive rates to try and find more immediate relief.

★ SECURING THE VOTE

The right of citizens to vote is fundamental to our democratic process. Anything that compromises the integrity of the vote is a threat to our system of government. For the last three sessions, legislative leaders have worked to help preserve the validity of the vote by requiring voters to show a form of identification at the polls, a measure supported by the vast majority of Texans. This session we succeeded in making that change.

Also, the Legislature made changes to election dates to help guarantee the ballots of our military men and women will be counted in Texas elections. We must make sure those sacrificing for our freedom have the opportunity to participate in it.

★ REVIEWING AND REFORMING STATE AGENCIES

While the Legislature makes laws, it is up to state agencies to enact policies and actually operate most state programs. Because these agencies make up such a large part of state government, it is important to review these agencies for accountability and to improve efficiency.

In Texas, we have the Sunset process where a state agency is only authorized to exist for so long before it must come before the Legislature for renewal. This process not only evaluates the need for an agency, but it also looks for needed areas of improvement and reform.

This session the Sunset Advisory Commission, of which I am a member, reviewed more than 20 state agencies such as the Department of Transportation, the Commission on Environmental Quality and the Texas Forest Service. Two agencies were

not reauthorized at all and were allowed to sunset. The review of agencies up for renewal next session has already started. The Sunset process is a way to help ensure state agencies serve you and not the other way around.

★ PROMOTING PRIVATE PROPERTY RIGHTS

This session the Legislature strengthened the rights of landowners who face the use of eminent domain, which is when government requires the sale of private land for a public project. We increased penalties for those who do not operate in good faith when negotiating the payment to landowners whose property must be sold. We required adequate compensation for landowners who have diminished access to their land because of eminent domain use. And we created a way for landowners to buy back their property at the paid-for-price if the governmental entity does not use the land for the intended purpose in a specific amount of time.

I authored and passed SB 1812 which requires background checks for right-of-way agents licensed in Texas. These agents have access to private property in order to negotiate with landowners on behalf of pipeline companies and other entities that may use eminent domain. If we continue to allow these agents to operate with limited access to private property, the least we can do is filter out agents with criminal pasts.

Additionally, we passed legislation to clarify the ownership rights of water under landowners' property. The law makes clear that landowners have a vested interest in the underground water reserves related to their property. Texas has a long history of protecting private property rights, and it is a principle just as important today as it was to our state's founders.



Sen. Nichols visited with CASA volunteers at his Capitol office.

LEGISLATIVE OVERVIEW OF THE 82ND SESSION



Superintendent Mary Ann Whiteker of Hudson ISD, presents Sen. Nichols with the Champion for Children award given by the Equity Center.

★ EXTENDING SECOND AMENDMENT RIGHTS

Because your right to protect yourself and your private property should not stop when you leave your home, the Legislature passed a law prohibiting most employers from establishing policies banning employees from storing a gun in their locked car of a company parking lot. This allows employees the practical opportunity to carry a gun for protection to and from their place of employment without fear of violating company policies.

★ DRAWING NEW DISTRICTS

Every 10 years, following the Census, state legislatures redraw political districts to reflect the changes in population. Texas gained four new Congressional seats, bringing the total number to 36. The Legislature approved new maps for the State Board of Education, the Texas House, and the Texas Senate during the regular session. A Congressional map was passed during special session.



Sen. Nichols welcomed representatives from 4-H to the Capitol during the legislative session.

★ GIVING LOCALS CONTROL OF ROADS

This session I continued my work to prevent the unnecessary privatization of Texas roads by authoring and passing SB 19. This bill guarantees that local entities will always have the right to decide if a new road will be tolled and gives them the first opportunity to build and operate that road instead of a for-profit company.

★ PREVENTING MEDICAID FRAUD

When individuals or health care providers try to game the Medicaid system, it is the taxpayer and those who need care who suffer most. That is why I worked with the Attorney General to author and pass SB 688, which gives his office the tools they need to better investigate and prosecute Medicaid fraud. As Medicaid costs continue to climb, preventing fraud will become even more important to keeping the system viable.

★ REQUIRING DISCLOSURE FOR FRACKING

The process of extracting oil and gas from rock formations, known as fracking, is a useful method to acquire needed resources. However, these benefits must be balanced with potential risks. This session the Legislature passed a law becoming the first state in the nation to require the disclosure of fracking chemicals and the amount used. By requiring such disclosure, the state can help protect our water supply and demand better accountability from companies using this new method for oil and gas extraction.

How To Purchase a Texas Flag

If you wish to purchase a Texas flag that has been flown over the State Capitol, please contact one of my offices and my staff will be happy to assist you.

The Texas Senate offers the following flag choices:

3x5 Nylon: \$15.25

3x5 Cotton: \$20.25

4x6 Nylon: \$22.55

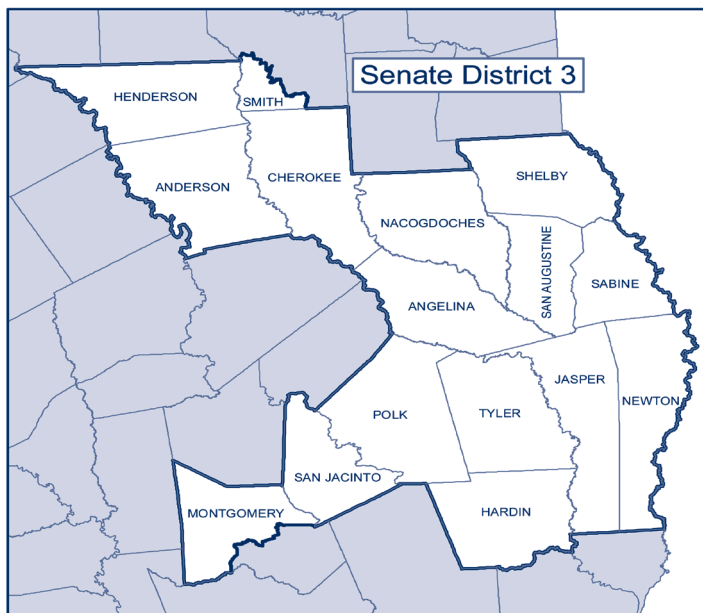
4x6 Cotton: \$30.55

SENATOR ROBERT NICHOLS, SENATE DISTRICT 3

First elected to the Texas Senate in 2006, Robert Nichols represents 16 counties including the greater part of East Texas and Montgomery County.

Nichols serves as vice chair of the Intergovernmental Relations Committee and sits on the Transportation and Homeland Security, Health and Human Services, Nominations and Natural Resources Committees. He is also a member of the Sunset Advisory Commission. In 2010 he was selected by his colleagues to serve as the chair of the Senate Republican Caucus.

During his three sessions as a state senator, Nichols authored important legislation to protect landowners' rights, increase educational opportunities in East Texas and reform transportation policies. He was designated as a Top Legislator by Texas Insider and a Champion of Free Enterprise by the Texas Association of Business. In 2011 he was named Deep East Texas Legislator of the Year.



Sen. Nichols and Sen. Huffman listen to testimony during a Sunset hearing

Before running for Senate, Nichols served as a transportation commissioner for eight years where he established a reputation for increasing efficiency without compromising quality.

Nichols is a businessman from Jacksonville, Texas. In his hometown he served on city council, was elected mayor, built four successful manufacturing facilities, earned 32 U.S. patents, and created more than 900 jobs for East Texas families.

Working his way through college by selling fireworks and ironing clothes for other students, Nichols earned a bachelor's degree from Lamar University in 1968. He married his high school sweetheart, Donna, and they are the proud parents of three children: Brittney, Joshua, and Collynn'rae. He is a member of the First United Methodist Church in Jacksonville.

Texas Constitutional Election

This fall, Texans will have the opportunity to vote on 10 amendments to the Texas Constitution. Early voting begins October 24 and continues through November 4. Election day is November 8, 2011.

To view a summary and analysis of these amendments, please visit:
<http://www.votexas.org/exp-statements-2011.html>

Copies of the summary will also be available in Sen. Nichols' district offices. Or, if you prefer, you may contact his Capitol office at (512) 463-0103, and staff will gladly send you a copy.

SENATOR ROBERT NICHOLS

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HELPFUL TOLL-FREE NUMBERS

General Help & Services	2 - 1 - 1
Cancer Information Service	(800) 4-CANCER
Child Support Hotline	(800) 252-8014
Consumer Protection Hotline	(800) 621-0508
Governor's Assist. Hotline	(800) 843-5789
Elections Division	(800) 252-VOTE
Social Security Administration	(800) 772-1213
Lawyer Referral Service	(800) 252-9690
Crime Victim Clearinghouse	(800) 848-4284
Immunization Shotline	(800) 252-9152
Medicaid Hotline	(800) 252-8263
WIC Hotline	(800) 942-3678
Nursing Home Complaints	(800) 458-9858
Rehabilitative Services	(800) 792-1109
SSI/Food Stamp Hotline	(800) 248-1078
Injured Worker Hotline	(800) 252-7031
Child Care Information	(800) 862-5252
Unemployment Hotline	(800) 558-8321

GOVERNMENT RESOURCES ONLINE

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