

Amend **CSHB 3** in ARTICLE 5 of the bill by adding the following appropriately numbered SECTION to PART A of the ARTICLE and renumbering subsequent SECTIONS of the part accordingly:

SECTION 5A.____. (a) At the general election to be held November 8, 2005, the voters of this state shall be permitted to vote in a nonbinding referendum on the increases in the state sales tax rate under Section 151.051, Tax Code, as provided by Sections 5A.01 and 5A.01A of this article.

(b) Notwithstanding Subsection (a), if an election is held before November 8, 2005, on one or more amendments to the Texas Constitution proposed by the 79th Legislature, the referendum required by this section shall be held on that date.

(c) The ballot for the referendum shall be printed to permit voting "Yes" or "No" on the following propositions:

(1) "Do you approve of the state sales tax rate increase to 6.5 percent?"; and

(2) "Should the state sales tax rate increase to a rate of 6.75 percent if the constitutional amendment proposed by S.J.R. No. 38, Acts of the 79th Legislature, Regular Session, 2005, is approved by the voters?".

(d) The proposition shall be printed on the ballot beneath any proposed constitutional amendments under the heading: "Nonbinding Statewide Referendum."

(e) Except as otherwise provided by this section, the election shall be conducted in the same manner as an election on a proposed amendment to the Texas Constitution. If an election on one or more proposed constitutional amendments will be conducted on the same date, notice of the election on the referendum proposition shall be given by inclusion of the proposition in the proclamation by the governor ordering the election on the proposed constitutional amendments and in the notice of that election given by each county judge.

(f) Immediately after the results of the election are certified by the governor, the secretary of state shall transmit a copy of the certification to the lieutenant governor and the speaker of the house of representatives.

(g) It is the legislature's intention that the will of the

people as reflected by the results of the election should be given the highest consideration by the legislature and the governor in acting to address the important issue of taxation in this state.