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# A G.O.P. Senator Who Is Unafraid to Suggest Raising Taxes

By AMAN BATHEJA

Kevin Eltife did not plan to make news last month while speaking at a transportation conference in Austin. Participating in a legislative panel, Mr. Eltife, a Republican state senator from Tyler, tried to explain how he would revamp the way Texas financed road construction. Taking on more state debt is not the answer, he said.

“I would start with maybe a dime on the gas tax,” Mr. Eltife said. “I would also look at expanding sales tax into auto repair.”

The panel’s moderator warned Mr. Eltife that **Tea Party** activists would not like what he was proposing. Mr. Eltife waved him off.

“I was fine before I had this job,” he said. “If they kick me out of office, I’ll be fine.”

Cheers filled the ballroom while Mr. Eltife stifled a smile. His remarks were reported around the state. He has never been shy about discussing his preference for raising taxes over increasing public bond debt. Last week, he filed a measure to raise the state sales tax temporarily to pay off the Texas Department of Transportation’s debt, calling it the conservative way to “deal with our debt problem.”

Mr. Eltife is challenging not only the ways his party manages the state’s finances but the very notion of what it means to be a conservative in Texas.

“We’ve amassed a ton of bond debt in the state of Texas,” Mr. Eltife said, referring to billions of dollars borrowed to pay for projects from new highways to renovations at state parks. “So we come home and say, ‘I didn’t raise your taxes.’ Well, I don’t buy that. When we sell bonds, we raise your taxes.”

Mr. Eltife joined the Senate in 2004 after serving six years as mayor of Tyler. In the nine years since, the state’s outstanding debt has more than doubled, to \$41.3 billion from ~~\$10.5 billion~~ according to a comptroller’s office report. That debt per Texan has grown to \$:

Though the state maintains a strong credit rating, the Legislature’s reliance on frustrated Mr. Eltife. As mayor, his signature achievement was a voter-appro

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package that cut property taxes but raised the sales tax. The resulting revenue allowed the city to pay off the last of its bond debt in 2008.

“I loved my days as mayor because we actually solved problems,” said Mr. Eltife, who left that office after reaching his term limit.

“Solving problems” is something Mr. Eltife talks about often, along with the value of “political courage.” In his mind, the latter is in short supply at the Capitol but critical to achieving the former. He ticked off issues that loomed large in the State Capitol a decade ago — school finance, transportation, water — and noted that all remained major challenges with high price tags in this session.

“If we don’t get our act together and start solving problems, this will be a Democratic state,” Mr. Eltife said. Mr. Eltife’s colleagues in the Legislature cite his independent streak as one of his defining attributes as a senator.

At a recent public discussion with business leaders, Lt. Gov. David Dewhurst said that anyone who knew Mr. Eltife knew he was not someone who would heed warnings of “Don’t do this or please do this.”

“Kevin is a dear friend, and he does a great job in the Senate,” Mr. Dewhurst added.

Mr. Eltife was born and raised in Tyler but traces his heritage to Lebanon, whence both sets of grandparents immigrated. His father died before he was 2. While Mr. Eltife was growing up, his family relied on government benefits. He now owns and runs Eltife Properties, a commercial real estate firm. In 1991, a frustrating experience applying to the city of Tyler for a sidewalk variance motivated him to run for City Council.

After two terms as mayor, Mr. Eltife ran for a Senate seat left open by Bill Ratliff, who became lieutenant governor. Mr. Ratliff encouraged Mr. Eltife to run.

“He was able to bring the various elements in Tyler together, and I knew him to be fearless, which he has proven to be in Austin,” Mr. Ratliff said.

Mr. Eltife said he had tried to bring the same focus on reducing debt that he had as mayor to the Legislature. Over the years, he has regularly rallied against efforts to pay for government services on credit.

In 2007, he was one of a handful of senators to vote against a \$3 billion bond measure to finance cancer research in the state. Now, as the agency created to allocate that money is [mired in controversy](#), Mr. Eltife has filed a measure to block sale of the remaining bonds.

Mr. Eltife has repeatedly proposed raising the sales tax. In 2007, his bill to raise the sales tax and lower local property taxes passed the Senate.

“I would consider consumption taxes over property taxes all day long,” Mr. Eltife said. “I think it’s a much fairer tax.”

Last week, Mr. Eltife [filed legislation](#) that would ask voters to approve temporarily increasing the state sales tax rate by half a percentage point to pay off the Texas Department of Transportation’s debt, which stands at \$13 billion.

“We pay the debt off like 15 years earlier. We save \$6 billion in taxes,” Mr. Eltife said.

That measure has divided some conservative activists. Michael Quinn Sullivan, the president of Empower Texans, a conservative group active in state politics, suggested on Twitter that Mr. Eltife must not expect to run for re-election as a Republican. “Fortunately, not everyone shares Mr. Eltife’s big-tax vision for a less prosperous Texas,” Mr. Sullivan wrote in a recent post on his group’s Web site. Mr. Sullivan did not respond to requests to comment for this article.

But JoAnn Fleming, chairwoman of the advisory committee to the Legislature’s Tea Party Caucus, said she could support Mr. Eltife’s proposal. Ms. Fleming said that although she did not enjoy raising taxes, she could back Mr. Eltife’s plan if it were part of a package that reformed the way the state financed road construction. At a rally on transportation financing on the Capitol steps this week, Ms. Fleming — who has known Mr. Eltife for 20 years — singled him out for praise.

“At least Senator Eltife stepped up with a solution that will help us get back to pay-as-you-go for roads,” Ms. Fleming said. “Paying what you can afford is the conservative approach.”

While it may take multiple legislative sessions, Mr. Eltife said he was intent on achieving at the state level what he had in Tyler: instituting a plan to reduce public debt.

“Elected officials of the last 10 years have put this state into debt that will take 30 more years to pay off, and that’s just wrong,” Mr. Eltife said. “We don’t want to raise taxes just to raise taxes, but at some point we’ve got to fix these problems.”

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