

Libertarian Review of the 2026 Report to the People of Texas

This review evaluates the Governor of Texas' "2026 Report to the People of Texas" from a libertarian perspective, focusing particularly on government expansion, corporate favoritism, civil liberties, due process, property rights, surveillance concerns, and potentially misleading framing or political messaging.

1. Corporate Welfare and State-Directed Markets

The report repeatedly promotes state incentive programs such as the Texas Enterprise Fund (TEF), Texas Semiconductor Innovation Fund (TSIF), JETI tax limitation agreements, film incentives, tourism subsidies, and music rebate programs. From a libertarian perspective, these programs represent government picking winners and losers rather than allowing neutral market competition. Taxpayer funds and preferential tax structures are directed toward politically favored industries and large corporations. The report also presents projected returns on investment as if those investments would not have occurred without state intervention, despite limited proof that the market would not have produced similar outcomes organically.

2. Property Tax Relief vs Structural Reform

The report claims \$51 billion in property tax relief and expanded homestead exemptions. However, libertarians may argue that temporary relief mechanisms do not necessarily address the structural drivers of rising property taxes, including appraisal growth and expanding local government spending. Texans may still experience increasing tax burdens despite the state describing these measures as "historic relief."

3. Symbolic Capital Gains Tax Ban

The report praises legislation "banning capital gains taxes." Texas does not currently have a state income tax structure capable of supporting a traditional capital gains tax. As a result, critics may argue this was more symbolic or preventative than an actual reduction in taxation.

4. Due Process and Bail Reform Concerns

The report strongly emphasizes expanded bail restrictions and denial of bail for certain violent offenses. Public safety concerns are legitimate. However, libertarian concerns arise when the state increasingly treats accused individuals as criminals before conviction. The report frequently refers to defendants as "violent criminals" in contexts where guilt may not yet have been established in court. Expanded pretrial detention powers also increase state authority over individuals who still retain constitutional protections and the presumption of innocence.

5. Expansion of Surveillance and Law Enforcement Infrastructure

The report celebrates expanded funding for: • Surveillance systems • Body cameras • Cyber intelligence operations • Tactical law enforcement teams • Border enforcement coordination • Texas Cyber Command While public safety is a core government function, libertarians may question the lack of discussion regarding: • Warrant requirements • Oversight mechanisms • Data retention limits • Privacy protections • Civil liberties safeguards The report focuses heavily on expansion of capability while offering little transparency regarding limits on state power.

6. Homeless Encampment Enforcement

The report describes operations to remove homeless encampments in Austin as efforts to make the city “safer and cleaner.” Libertarian concerns include: • Criminalization of poverty • Property seizure concerns • Forced displacement • Lack of due process protections • Expansion of police authority into social problems Critics may argue the report frames visible homelessness primarily as a public nuisance rather than addressing root causes.

7. Restrictions on Foreign Land Ownership

The report promotes legislation restricting land ownership by individuals or entities associated with foreign adversaries. Libertarians may support restrictions on hostile governments while opposing broad restrictions that affect individuals based primarily on nationality or origin without individualized evidence of wrongdoing. This raises concerns regarding equal property rights and precedent for politically targeted ownership restrictions.

8. Lifestyle Regulation and Food Policy

The report praises policies restricting SNAP purchases and regulating school meal standards. While advocates frame these policies as public health measures, libertarians may view them as paternalistic state interference in personal dietary decisions. The concern is not necessarily nutrition itself, but the expansion of government authority over lawful consumption choices.

9. School Choice and Future Regulatory Risk

The Education Savings Account (ESA) program expands parental choice and educational competition, which many libertarians support. However, libertarians also traditionally warn that government funding often leads to eventual government control. Concerns may include: • Future curriculum mandates • Regulatory expansion into private schools • Reporting and testing requirements • Increased state influence over homeschool-adjacent services The long-term liberty implications may depend on whether educational independence can survive future regulation tied to funding.

10. Questionable or Promotional Framing

The report frequently uses rhetoric centered around “freedom,” “liberty,” and “limited government” while simultaneously promoting: • Expanded executive programs • Increased state spending • Larger enforcement operations • Industry subsidies • Behavioral regulation • State-directed economic planning Additional concerns include: • Treating economic projections as guaranteed outcomes • Presenting business incentives as unquestioned successes • Framing defendants as criminals prior to conviction • Promotional branding language such as Texas becoming the “financial capital of America” The overall tone resembles political marketing and economic boosterism more than neutral governmental accountability reporting.

Overall Assessment

From a libertarian perspective, the report reflects a governing philosophy that combines lower-tax messaging with expanded state authority, targeted subsidies, surveillance growth, public-private economic coordination, and behavioral regulation. Rather than strict limited-government governance, the report more closely reflects a model of state-directed growth and executive-managed conservatism. A concise libertarian critique may be summarized as follows: *“Texas does not become freer when Austin replaces Washington as the manager of our schools, businesses, diets, land, and public spaces.”*