

Texas Senate
Committee on Property Tax

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Sen. Paul Bettencourt, Chair

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Hundreds Turn Out For First Hearing of Senate Committee on Property Tax

Texans overwhelmingly testify in support of need for property tax reform and relief

AUSTIN - Hundreds of Texas taxpayers turned out for the first hearing of the Senate Committee on Property Tax. The Committee met to discuss the Texas Property Tax Reform & Relief Act of 2019 (SB 2), authored by Chairman Paul Bettencourt (R-Houston) and Co-Author by three committee members: Vice-Chairman Angela Paxton (R-McKinney), Senator Brandon Creighton (R-Conroe), and Senator Kelly Hancock (R-North Richland Hills). Governor Abbott (R-Texas) recently designated Property Tax Reform as an "emergency item" during his recent State of the State Address. Senate Bill 2 seeks to lower the rollback rate from 8% to 2.5% for all taxing entities that collect more than \$15 million in property tax revenue.

"We are not just fighting for the Texans that are, we are fighting for the Texans that will be," said Chairman Paul Bettencourt. **"As values go up tax rates must come down. This is not rocket science. The cost of ownership is putting homeownership out of reach for young people."**

The committee heard testimony from frustrated taxpayers from a diverse cross section of Texas. In one compelling exchange a business owner highlighted that he has to pay \$5,000 per employee just on his property taxes to stay in business. Another highlighted that roughly 50% of their overall costs is property tax. Former Austin City Councilwoman Ellen Troxclair testified in support of the bill, highlighting that the bill is **"Empowering citizens to play a stronger oversight role in the government that is elected to serve them."** In response to some arguments made that local governments would be forced into making cuts, Councilwoman Troxclair noted waste that exists such as the City of Austin paying \$750,000 to clear a single public toilet for one year.

Vice-Chair Paxton continued, **"This is really about the ultimate in local control...the taxpayers...the voter. As Governor Abbott noted this is really about giving power to the people."** Senator Hancock highlighted that the current rollback rate of 8% was established in a period of high inflation and it is time to bring that number down to reflect today's economic reality. In 1981 the rollback rate was raised from 5% to 8% when inflation was over 10%. **"We simply cannot have property taxes growing at over 40% in four years. Taxpayers simply cannot pay for it,"** concluded Senator Creighton.

Senate Education Chairman Larry Taylor (R-Friendswood), another Co-Author, joined the committee to discuss the link between property tax reform and school finance reform and the intent that ISD property tax rates will be compressed.

The committee will reconvene in the coming days to continue their work on property tax reform and relief efforts for the ongoing 86th Legislative Session.

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Members

Brandon Creighton
Juan "Chuy" Hinojosa

Kelly Hancock
Angela Paxton (Vice-Chair)