



Written Testimony On Senate Bill 1
From Christy Rome, Executive Director

For the Texas Senate Committee on Finance
September 21, 2021

Chairwoman Nelson and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill 1, and your commitment to property tax relief.

The Texas School Coalition represents school districts that are subject to recapture, and when the Legislature increases state funding for public education in order to lower school property taxes, recapture is reduced. We welcome discussion of any proposal that lessens the burden of recapture on taxpayers.

However, our Coalition is concerned about the temporary approach to tax relief proposed in Senate Bill 1. This approach will cause tax rates to bounce back up in the 2023-24 school year, which will frustrate taxpayers who believe their local school boards are choosing to raise rates.

Given the temporary nature of the relief proposed in Senate Bill 1, and given the importance of candor and transparency with the public, **we suggest that this legislation require a notice to be put in all property tax bills. The notice would make clear that this rate decrease is temporary.** Such a notice would help the public better understand the short-term nature of this relief.

Of course, we would prefer that the Legislature consider sustainable property tax relief, which could be accomplished through appropriations via a mechanism included in House Bill 3 from the 86th Regular Session. Using this mechanism would result in tax relief that is less robust in the first year than what is proposed in Senate Bill 1. However, even if the initial dollar amounts are different, we believe taxpayers would prefer to have more durable relief than a short-term reduction that will disappear.

Thank you for your service to the state of Texas and for your efforts to provide relief for taxpayers. Please do not ever hesitate to contact us to further discuss the impact of proposed legislation on taxpayers and school districts.