



Legislation Text

File #: RES 17-075, **Version:** 2

Consideration of and action on a Resolution opposing Senate Bill 2 in the 2017 Legislative Session

Summary:

The attached resolution opposes Senate Bill 2 of the 2017 Legislative Session. It mirrors similar resolution of opposition drafted by other Texas municipalities. Should the bill become law, it mandates an automatic election should a municipality adopt a tax rate in excess of 4% of the effective tax rate. Current Texas law allows for voters to petition such a rollback election if the adopted ad valorem tax rate exceeds 8% of the effective tax rate. As noted in the resolution, this Bill does not provide for meaningful property tax reduction for Deer Park homeowners, yet could lead to significant revenue reductions for the City. Calculations from 2015 show had Senate Bill 2 been in effect, the owner of a home appraised at the average market value of \$153,904 would have saved \$1.76 per month, but the City's total revenue loss would have been \$790,926 due to the corresponding decline of ad valorem taxes and industrial district revenues. Also, Senate Bill 2 removes local control and decision-making by the City's elected officials; officials who are attune to the needs of their community.

Fiscal/Budgetary Impact:

To Be Determined

Approval is Recommended