

RESOLUTION NO. 20190411-048

WHEREAS, on January 16, 2018, Governor Abbott proposed a 2.5% cap on the amount of property tax revenue cities can collect each year; and

WHEREAS, on January 31, 2019, House Bill 2 was filed in the Texas House of Representatives and Senate Bill 2 was filed in the Texas Senate, each of which, if passed, would codify the Governor's proposed 2.5% property tax revenue cap proposal; and

WHEREAS, the 2.5% revenue cap proposal would reduce the average Austin homeowner's property tax bill by less than \$5 per month for City of Austin property taxes; and

WHEREAS, State law lists multiple functions of local governmental responsibility, including police protection, fire protection, health and sanitation, street construction and maintenance, transportation systems, emergency services, flood mitigation, development, and public utilities including water and sewer; and

WHEREAS, if a 2.5% revenue cap is enacted the City of Austin will face a \$51.7 million deficit in three years; and

WHEREAS, \$51.7 million is the equivalent of 612 fire fighters, 549 police officers, or more than 50% of the entire operating budget for Austin Parks and Recreation; and

WHEREAS, a revenue cap will limit the City's ability to provide for public safety through police, fire and emergency medical protection, as well as road construction and maintenance, health, parks, libraries, and other services its residents demand; and

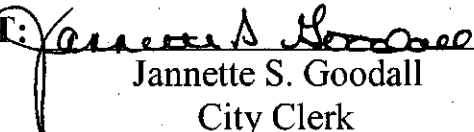
WHEREAS, the State is the driver of higher property taxes due to its over-reliance on local property taxes to fund public schools; and

WHEREAS, the Mayor and Council of the City of Austin find that the most appropriate way to protect its residents, meet State requirements, and develop a budget that reflects the values of its residents is through the establishment of a locally developed budget and Ad Valorem tax rate establishment process; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Council of the City of Austin believes that the 2.5% revenue cap proposed by House Bill 2 and Senate Bill 2 represents an impending crisis by limiting the City's ability to provide for public safety and other essential services to its residents; and it is essential that any revenue cap measure passed by the Texas Legislature not restrict the City's ability to protect public safety and provide needed City services.

ADOPTED: April 11, 2019

ATTEST: 
Jannette S. Goodall
City Clerk