

Limiting the number of property tax freeze elections in some jurisdictions

HB 2087 by Hill (Wentworth)

DIGEST: HB 2087 would have limited to two in a 36-month period the number of petition-initiated elections to freeze property taxes for the residence homesteads of elderly or disabled property owners in a county, general-law city, or junior college district. A taxing entity would have been prohibited from holding a freeze election until the third anniversary of the second failed ballot measure to freeze property taxes.

**GOVERNOR'S
REASON FOR
VETO:**

“House Bill No. 2087 violates Article VIII, Section 1, of the Texas Constitution, which requires a county, city or town, or junior college district, to hold an election to determine whether to limit property taxes on the homesteads of elderly or disabled persons if 5 percent of registered voters petition for such an election.

“House Bill No. 2087 would allow a governmental entity to refuse a petition by the voters for such an election if the same issue has been put to a vote twice in any 36-month period, thereby limiting voters’ ability to petition their government on an important taxation issue. Taxpayers should not have their right to vote to lower taxes limited for the convenience of election officials.”

RESPONSE: Rep. Fred Hill, the bill’s author, said: “The governor’s explanation as to why HB 2087 was vetoed concludes with the following remark: ‘Taxpayers should not have their right to vote to lower taxes limited for the convenience of election officials.’”

“The issue was clearly not for the ‘convenience of election officials.’ It was for the benefit of the citizens of the community that twice had voted not to have their taxes frozen. The taxpayers of the community, rather than having to go through such an election each year, had expressed a desire not to have to pay the \$36,000 that each election cost and be allowed to have two election cycles off in the event the issue had failed at the polls twice. The mayor, the spokesperson for the community, had indicated that a person whose age exceeded 65 was the occupant in 57 percent of the homes in the community. The consensus of the community was that the taxes were needed to maintain the services the majority of the citizens felt appropriate. The governor’s veto has forced the majority to comply with the desires of 5 percent of the citizens who are willing to sign a petition and force an election. The veto does not appear to have been well thought out and to be the response to a political group who petitioned the governor to veto HB 2087. I had been told during the last few days of the session by a governor’s staff member that the governor would not veto the bill.”

Sen. Jeff Wentworth, the Senate sponsor, said: “HB 2087 was a bill specifically aimed at helping the city of Windcrest in northeast Bexar County respond to the will of the voters and save taxpayer money. The city has had two petition-initiated elections to freeze taxes for seniors. Both times the referendum was defeated. Windcrest is the only city in the state to defeat the measure not once, but twice. The bill, therefore, would have applied only to Windcrest.

“The city has had declining sales tax revenues and a low rate of property valuations. Even though over 53 percent of the homes in the city are owned by persons over 65 years of age, the tax freeze was defeated because it would have had a severe impact on the city’s finances. The cost of frequent elections further erodes the financial situation. Windcrest, a general law city, would have been able to control the frequency of petition-initiated elections as home rule cities are allowed to do.

“The effect of the bill, had it been signed into law by the governor, would have been to save the citizens of Windcrest some of their hard-earned tax dollars. The effect of the governor’s veto will be to put those taxpayers at risk of wasting more of their tax dollars in the future.

“By the way, this bill had absolutely nothing to do with ‘the convenience of election officials,’ even though the governor’s veto message cites that as a factor. This sort of simple lack of understanding of the bill by the governor and his staff could be avoided if there were any attempt at all to communicate with either the author or sponsor of the bill prior to simply notifying us of a veto of a bill he clearly does not understand.”

NOTES: HB 2087 was analyzed in Part Two of the April 11 *Daily Floor Report*.