



SENATOR PAUL BETTENCOURT
DISTRICT 7

COMMITTEES:

INTERGOVERNMENTAL AFFAIRS—VICE-CHAIR

EDUCATION

FINANCE

HIGHER EDUCATION

October 23, 2015

Judge Ed Emmett
Harris County Judge
1001 Preston
Houston, TX 77002

Dear Judge Emmett,

During the 84th Legislative session this past spring you took the time to write a letter to the Harris County Legislative Delegation opposing revenue caps to provide property tax relief to local property owners. In your letter, attached, you assert that applying a revenue cap to Harris County would "...prove disastrous to the area's economic growth and quality of life." What is really disastrous for hardworking taxpayers is seeing their property tax bills increase yearly by double digit percentages.

Please find attached a summary of the appraisal and taxable value changes for Harris County over the last five years. There is an astonishing **40% increase** in the taxable value of Harris County's tax roll in just three years. That means Harris County taxpayers will have paid approximately \$700 million more in just three years as the combined tax rate of the four Harris County taxing jurisdictions remains unchanged by vote of Commissioners' Court.

In your letter, you also cite your sympathy for 'runaway appraisals' in Harris County. However, over the last two years, an average Harris County home has seen its appraisal skyrocket by almost 25%. "Keeping the tax rate will result in an approximate increase in the tax bill of the average home by 12.8 percent for 2015, and close to a 25 percent increase over just the past two years", per an op ed by former Harris County Tax Assessor Don Summers published this week.

While the tax rate has stayed the same, tax bills for residents have outpaced paycheck growth by an astounding rate, at least four times as fast as their paychecks.

If you remain opposed to the concept of a revenue cap, then do the right thing for taxpayers and vote to lower the property tax rate.

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On Wednesday, the Houston City Council, for the second year in a row, has cut the property tax rate from 63.108 cents to 60.0112 cents to comply with their voter imposed revenue cap. The Chronicle calls it the largest tax cut in years, and mentioned the tax rate is now the lowest it has been since 1987, as the City, like the County, now has record tax roll values in 2015.

You have the opportunity to provide relief for hard-pressed Harris County taxpayers today by lowering their overall rate of taxation. For each penny of tax rate reduction, county taxpayers will save approximately 39 million dollars on their property tax bill, that is significant tax relief. Based upon these facts, I hope you and your colleagues on Commissioners' Court will grant much needed property tax relief to all the taxpayers of Harris County.

Sincerely,

A handwritten signature in black ink that reads "Paul Bettencourt".

Paul Bettencourt
Texas State Senator, District 7

cc: Precinct 1 Commissioner El Franco Lee
Precinct 2 Commissioner Jack Morman
Precinct 3 Commissioner Steve Radack
Precinct 4 Commissioner Jack Cagle





MIKE SULLIVAN
 Tax Assessor-Collector
 www.hctax.net

Five-Year Certified Roll Comparison (Tax Years 2011 through 2015)
Jurisdiction: Harris County (040)

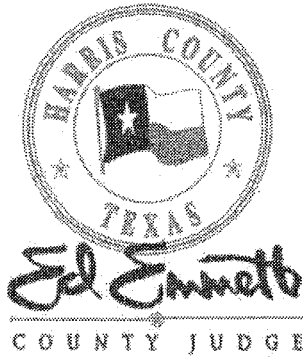
Appraised Value

Category	2015 Tax Year HCAD Rolls (8/14/2015)	2014 Tax Year HCAD Rolls (8/15/2014)	2013 Tax Year HCAD Rolls (8/9/2013)	2012 Tax Year HCAD Rolls (8/10/2012)	2011 Tax Year HCAD Rolls (8/14/2015)
Certified Appraised Value	\$ 444,257,157,390	\$ 405,691,247,607	\$ 334,691,169,852	\$ 343,661,337,234	\$ 334,171,461,246
Uncertified Appraised Value	\$ 60,593,028,096	\$ 48,950,278,845	\$ 79,885,494,639	\$ 38,347,818,746	\$ 30,421,392,111
Total Taxable Value	\$ 504,850,185,486	\$ 454,641,526,452	\$ 414,576,664,491	\$ 382,009,155,980	\$ 364,592,853,357

Taxable Value

Category	2015 Tax Year HCAD Rolls (8/14/2015)	2014 Tax Year HCAD Rolls (8/15/2014)	2013 Tax Year HCAD Rolls (8/9/2013)	2012 Tax Year HCAD Rolls (8/10/2012)	2011 Tax Year HCAD Rolls (8/14/2015)
Certified Taxable Value	\$ 347,074,883,902	\$ 312,138,341,361	\$ 255,374,616,485	\$ 258,792,912,513	\$ 249,928,379,428
Uncertified Taxable Value	\$ 45,097,726,934	\$ 34,527,189,025	\$ 53,783,348,328	\$ 21,114,940,363	\$ 20,955,144,216
Total Taxable Value	\$ 392,172,610,836	\$ 346,665,530,386	\$ 309,157,964,813	\$ 279,907,852,876	\$ 270,883,523,644

Note: Uncertified Taxable Value includes estimated hearing loss.



OPEN LETTER TO THE HARRIS COUNTY LEGISLATIVE DELEGATION

Since 1978, when I was first elected to the Texas House of Representatives, I have shared the frustration over the inequities and other problems associated with ad valorem taxation. I strongly supported the "Peveto Bill" to reform the administration of property taxes. I sympathize with efforts to protect homeowners from runaway appraisals.

However, as you debate tax relief and property tax reform this session, I urge you not to pass legislation that will wreak havoc with Harris County government's ability to meet the needs of its residents. Specifically, applying a revenue cap to Harris County will prove disastrous to the area's economic growth and quality of life.

Please consider the following five points regarding a revenue cap based upon population growth plus inflation or any other arbitrary figure.

1. Nearly 78 percent of Harris County's general fund revenue comes from property taxes. The county receives no sales tax revenue. By its nature, property tax revenue does not have a clear relationship to economic activity or to the spending required to meet the needs of a rapidly growing county in which nearly 2 million people live in the unincorporated part of the county. But property tax revenue is what county officials have to use, unless the Legislature provides an alternative.
2. Harris County's main responsibilities are criminal justice/law enforcement, roads and bridges, flood control and indigent health care. The county has little control over the spending required in these areas, and the costs involved are not directly tied to any inflation index.
3. Unincorporated Harris County is growing much faster than the county as a whole. By 2018, more people will live in unincorporated Harris County than in the City of Houston. Tying county revenue to the population growth of the entire county ignores the reality that the county responsibilities are weighted toward the unincorporated part of the county.
4. Much of Harris County spending focuses on preparing for future growth. If the county cannot engage in such spending, growth will stagnate. Spending on indigent health care and the courts system is mandated. Any revenue restriction will force cuts in such discretionary spending as road projects and flood control.

5. Providing for elections to approve spending above a revenue cap sounds like democracy at its best, but there is a serious flaw. Of necessity, a disproportionate amount of county government spending occurs in unincorporated areas. Voters in the 34 Harris County municipalities might be

a hard sell for county spending that is less visible to them. The courts and jail, for example, benefit everyone, but that benefit is often less obvious than roads.

These are some of my observations as a former legislator and current county official. I will be pleased to visit personally with any of you about this or any other subject.

Thank you for serving the residents of Harris County.

Sincerely,

A handwritten signature in black ink, appearing to read "Ed Emmett". The signature is stylized with a large initial "E" and a long, sweeping underline.

Ed Emmett