Resolution Spotlight

The Resolutions adopted by the members of the County Judges and Commissioners Association of Texas (CJCAT) at the Annual Conference originate among members of Commissioners Courts and serve as the CJCAT Legislative Platform.

Opposition to State-Mandated Property Tax Increases Resulting From Unfunded Mandates
County Judge or Commissioner → CJCAT → Legislature

In the State of Texas, county government is a unit of state government often referred to as "an arm of the state" or an administrative subdivision of the state. Texas counties must do those actions required by state law.

In some cases, the State of Texas requires a service or duty of a county but does not provide the necessary funding, resulting in an unfunded or under-funded mandate.

"When the state does not provide the funds to counties for state-mandated services, the county is forced to increase the property tax, a decision that shifts the fiscal burden directly onto local homeowners and businesses," stated CJCAT President Kirk Frye, Parmer County Commissioner.

Examples of unfunded and under-funded mandates include indigent defense and indigent health care.

Indigent Defense

The Texas Fair Defense Act of 2001 mandates that all Texas counties establish procedures to provide court-appointed lawyers to indigent defendants. According to Texas Indigent Defense Commission Executive Director Scott Ehlers, state funding typically covers 10 percent to 12 percent of the cost, while counties shoulder the remaining 88 percent to 90 percent. In Fiscal Year 2022, Texas counties allocated $342 million to indigent defense, receiving only $51 million in state grants.

Furthermore, Texas counties are solely responsible for court-ordered representation for appointments made in suits involving parent-child relationships, amounting to $63 million annually.

Indigent Health Care

Under Chapter 61, Health and Safety Code, the 153 counties without a countywide public hospital are required to fund and administer a county indigent health care program, said CJCAT Senior General Counsel Jim Allison. Last year, counties expended over $515 million on indigent health care services. Counties were reimbursed over $10 million (2 percent) from the Permanent Tobacco Investment Fund and $642,796 (0.0012 percent) from the State General Fund. The remaining $505 million was absorbed by the county taxpayers.

County Impact

Unfunded mandates leave insufficient funds to address the burgeoning costs of essential services.

"We persistently appeal to our state legislators for action that would provide additional revenue streams and limit the unfunded mandates that constrain rural counties," shared Jim Wells County Judge Pete Trevino Jr.

"Property taxes constitute the foundational revenue stream for rural counties," Trevino explained. "In recent years, these counties have confronted a pressing fiscal issue in the escalating expenses of core public safety services: law enforcement, jail operations, emergency medical services, and fire protection."

Jim Wells County projected that the cost of law enforcement and jail operations will increase by $1.3 million between 2023 and 2026.

"Compounding this is the $76,000 in monthly maintenance required for our outdated and overcrowded jail facility," Trevino detailed. Emergency medical coverage is insufficient, with a contract for only three ambulances to serve a population exceeding 38,000. Furthermore, sustaining adequate fire protection equipment presents significant challenges for local volunteer departments and ESDs, necessitating county monetary support and grant matching funds.

"The weight of these expanding obligations is carried by county taxpayers," Trevino underscored. "Although recent legislative wins have offered modest relief, they are inadequate to address the full scope of the need in rural Texas."

County officials developed the following resolution, adopted by the CJCAT, to address this concern:

Opposition to State-Mandated Property Tax Increases Resulting From Unfunded Mandates

WHEREAS, Texas counties are responsible for the operation and management of many and various governmental programs as required or authorized by state law; and

WHEREAS, some county government programs are fully or partially supported with funds disbursed by the State of Texas pursuant to the state appropriations process; and

WHEREAS, the State of Texas, acting through the Texas Legislature or through a state agency or executive order, may enact laws or promulgate rules that have the effect of imposing mandatory financial obligations upon Texas counties; and

WHEREAS, the State of Texas, through the Texas Legislature or through a state agency or executive order, mandates that counties implement certain governmental programs or perform certain duties and obligations including financial commitments by a county to expend county funds in connection therewith; and

WHEREAS, every unfunded mandate results in a mandatory increase in property taxes; and

WHEREAS, during each regular session of the Texas Legislature, all state funds that support county programs are reviewed through the state appropriation process and by other state budgetary review systems; and

WHEREAS, the aforementioned review process may result in a reduction, or cessation, of state financial support of county government programs causing an unforeseeable disruption and reduction of the county budget and operations; and

WHEREAS, Texas counties cannot achieve reliable financial planning and the necessary bond ratings sufficient to support county-related obligations when the state mandates a new program that is not fully funded or under conditions where the state reduces or fully withdraws prior funding and disbursement for county government programs;

NOW, THEREFORE, the County Judges and Commissioners Association of Texas and its current member counties do hereby resolve that for the foregoing reasons, it is in the best interests of Texas counties and their taxpayers to support and favor the passage of legislation in the form of an amendment to the Constitution of the State of Texas that would expressly prohibit the imposition of a mandatory governmental program on Texas counties, whether by an act of the Texas Legislature or a state agency or by executive order, unless the State of Texas has fully funded and disbursed all necessary funds to enable Texas counties to operate said governmental program.