



Legislative UPDATE

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Property Tax Roadshow: More Misleading Information

The Senate Select Committee on Property Tax Reform and Relief continues its road show, meeting most recently in Houston and Plano.

The committee has added to its misleading introductory materials on the state of property taxes in Texas. Not only do they continue to use a [false comparison of total tax levy and median household income](#), they have added a misleading map to the mix.

The committee used a map of the U.S. showing Texas ranked high in local property taxes. That is absolutely true. Most surveys show Texas ranking from sixth to 13th in a state ranking of property taxes. But it leaves out a very important fact: Most surveys show Texas ranking in the bottom half (some as low as 46th) in a ranking of *total* state and local tax burden.

Making a big deal about one component of the tax burden is misleading at best. In fact, it misses the point that Texas, more than any other state, relies on local governments to provide services. And the legislature has chosen the property tax as the primary means of paying for those services, particularly in the area of schools, the state's choice for how to fund the majority of the education system.

The whole premise of the committee is fundamentally flawed, the data that is used to explain the perceived "problems" are misleading, and some of its members refuse to accept that fact. Until they do, the League will carry out the directive of its membership and oppose any attempt to limit local authority.

Federal Overtime Rules Update

A [previous edition](#) of the *Legislative Update* reported on a legal challenge to proposed federal overtime rules set to go into effect on December 1. In further news, the U.S. House of Representatives passed [H.R. 6094](#) (the Regulatory Relief for Small Businesses, Schools and Nonprofits Act). The bill would delay the implementation of the rules by six months, and now moves to the Senate for consideration. President Obama has indicated that he will veto this type of legislation.

U.S. House passes Water Resources Development Act

Last week, the U.S. House passed its version of [H.R. 5303](#) (the Water Resources Development Act). Upon passage, the National League of Cities issued a [statement of support](#). The next step is for a conference committee to reconcile the differences between the Senate and House versions.

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