

## **Revenue Caps Destroy Effective Local Control**

Some state leaders have proposed that if local governments increase their budgets by one cent more than the amount received the previous year (adjusted to account for changes in appraised value, i.e., the “effective tax rate”), then governing bodies must call an election to seek voter approval.

Such a “revenue cap” would radically alter the relationship between commissioners courts, various independent county departments and local voters. Since 1887, voters have elected commissioners courts to consider budget requests by various county departments, weigh them against the public’s priorities as expressed during the general election process and then adopt a budget that fits within the county’s tax rate. In effect, approving each department’s budget is the commissioners court’s only control over county government operations. It is an essential counterweight in county government’s checks-and-balances system of government.

It has been estimated that approximately 60 percent of a county’s operations are mandated by federal or state law – supporting the court system, incarcerating defendants in jail, health care for indigents, documenting land ownership and other public records, running elections, etc. The bulk of the remaining functions are discretionary but very popular with voters, including the provision of roads, law enforcement patrols, emergency medical services, parks and libraries. When economic conditions call for more or improved roads, or when an increase in crime demands an increase in law enforcement capability, the county can adjust by increasing resources in those areas.

Not only would the revenue cap proposal require an expensive election for minor spending increases, it would discourage governing bodies from making responsible spending decisions, for fear that demagoguery would keep the community in constant turmoil. Allowing voters to approve revenue increases flies in the face of one of county government’s traditional strengths: local control. In our representative democracy, we elect policymaking elected officials so that they will weigh the options and establish priorities – voters who dislike the decisions that elected officials make have the ability to remove them from office at the next election.

*(Prepared for county officials by the Texas Association of Counties.)*