

Testimony

SB 1315

Testimony Before the Texas Senate Committee on Property Tax

by James Quintero, Director

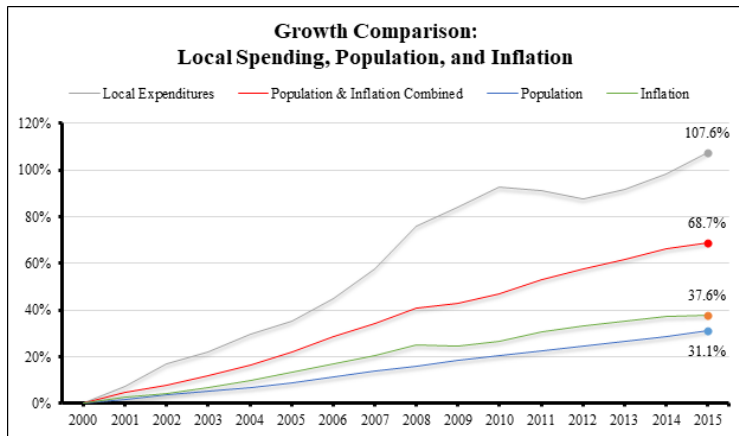
Mr. Chairman and Members of the Committee:

My name is James Quintero and I am the director of the Think Local Liberty project at the Texas Public Policy Foundation. Thank you for the opportunity to address the committee today on [Senate Bill 1315](#). I am here to testify in support of the bill.

As introduced, SB 1315 would require certain counties, cities, and school districts to undergo a periodic zero-based budgeting (ZBB) review every 12 years. The ZBB requirement would apply to:

- School districts with 50,000 or more students;
- A county department of education in a county with a population of 3.3 million or more;
- Cities and counties with a population of 225,000.

This targeted approach will help some of the state’s largest local governments move away from a poor budgeting practice (i.e., the current services model that allows inefficiencies to build up) and toward a better approach that increases transparency and accountability as well as resource allocation. With a periodic ZBB requirement in place, taxpayers may finally see a big and growing problem addressed—that is, local government overspending.



Source: [2019-20 Legislator’s Guide to the Issues](#) (50-51)

In 2000, Texas’ local governments spent a total of \$66 billion, according to the U.S. Census Bureau’s *State and Local Government Finance*. By 2015, aggregate local spending had risen to \$137 billion, equating to a 108 percent increase over the period. While some level of expenditure growth is to be expected—especially in a fast-growing state like Texas—the current trajectory is well above conservative guidelines.

From 2000 to 2015, Texas’ population grew from 20.9 million to 27.5 million, representing an increase of 31 percent. Concurrently, the rate of inflation increase, as measured by the Consumer Price Index (U.S. All items, 1982-84), was just 38 percent. Combined, population and inflation grew at a modest pace over the period, at around 69 percent. The evidence clearly shows that actual and ideal growth rates are going in much different directions.

Utilizing tools, like ZBB, to break down large budgets and build them up from scratch on occasion is a common sense idea that should be fully embraced. It has the potential to improve spending habits, tax trends, and the trajectory of government growth.

Although SB 1315’s scope is limited to only certain local governments, it is a sound concept that will take the state in a positive direction if adopted. For this reason, we ask that the committee look favorably on SB 1315.

Thank you for your time. I look forward to answering any questions that you may have.

