

Conservative Texas Budget

SB 500 Busts the 2018-19 Conservative Texas Budget Limit

The Problem

Senate Bill 500 unnecessarily grows government at the expense of taxpayers and the Texas economy.

Attempted Solution

The 85th Texas Legislature passed a Conservative Texas Budget (CTB), but the Senate's supplemental bill (SB 500) this session risks undoing that Legislature's hard work by exceeding population growth plus inflation in all funds—the total footprint of government.

A Better Strategy

The CTB sets limits in state funds and all funds, which includes federal funds, for the supplemental bill based on a 4.5 percent increase in population growth plus inflation to keep spending within the average taxpayer's ability to pay. The House's introduced supplemental bill (HB 4) is below the CTB limits.

2018-19 Supplemental Bills Comparison

Type of Funds	2018-19 CTB Limits	SB 500 *	HB 4 *
All Funds Budget	\$3.60 B	\$2.82 B	\$1.77 B
Property Tax Reform	\$4.44 B	\$5.14 B	\$4.07 B

* Excludes Harvey-related funds of \$3.1 billion in SB 500 and \$1.8 billion in HB 4

Why the TPPF Plan?

- The 2018-19 budget should remain under the CTB limits to keep spending within the average taxpayer's ability to pay.
- Texans are paying excessive state taxes as the 2018-19 budget is up **\$15 billion** more than if increased by population growth and inflation since 2004.
- High taxes and debt are always a spending problem, which is why Texas must complete this CTB to give Texans the best chance to prosper.



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