

Blueprint for Implementing The **Child Care Property Tax Relief** (Prop 2)

Note: This document will be updated as we learn more about best practices

PURPOSE OF BLUEPRINT AND HOW TO USE IT

Texas voters overwhelmingly voted YES on Proposition 2 in November 2023. Now, we must work with our city and county officials to implement Prop 2–Child Care Property Tax Relief, so that our communities can reap the benefits. This blueprint should help by summarizing the importance of Prop 2, describing the key players in local government, outlining the implementation process of Prop 2–Child Care Property Tax Relief, and by listing questions for local officials.

WHAT IS PROP 2?

Prop 2 is the newly passed constitutional amendment that allows city and county officials to provide property tax relief to child care providers serving working families.

To be eligible for a property tax cut, child care providers must participate in the Texas Workforce Commission's child care scholarship program for working parents. Providers must maintain enrollment of at least 20% of children on scholarship to be eligible.

If a property owner, or landlord, leases a facility to an eligible child care provider, the property owner must provide an affidavit (sworn statement with a witness) to the appraisal district certifying, among the requirements, that the property owner has passed the exemption savings onto the child care operator through rent reduction and that the property owner is charging the child-care operator comparable rental rates for similar spaces.

WHY IS PROP 2 SO IMPORTANT?

Working parents all over Texas struggle to find child care. Employers statewide cannot find the workers they need because there is not enough quality child care. Property tax relief for child care providers will be a shot in the arm to improve access to and the quality of child care for parents and businesses.

KEY PARTNERS WITHIN LOCAL GOVERNMENTS

Local government partners should be involved and communicate with one another to implement Prop 2 with minimal administrative burden. So, it's important to understand the key organizations to include in communications.

COUNTY OFFICIALS

There are 254 counties in Texas, and each county has a Commissioners Court, which governs the county. The Commissioners Court is composed of five people: a county judge who's elected in partisan elections and four locally elected officials who serve distinct precincts. See, for example, the [Harris County Commissioners Court](#) or the [Tarrant County Commissioners Court](#).

It will also be helpful to communicate with the County Appraisal District throughout the implementation process. Appraisal districts are responsible for **appraising property for property tax purposes**.

CITY OFFICIALS

City governments vary depending on the type and size of the city. Mayors work directly with City Councils to fulfill the needs of their community through legislative action.

City Council officials are locally elected and fulfill the legislative functions of the city, like crafting ordinances and developing policies. The exact number of members on a City Council varies by city and is determined locally. City

Councils adopt annual budgets that reflect their spending priorities and **set the annual property tax rate**. For example, see [San Marcos' Mayor and City Council](#).

STEPS TO IMPLEMENTING PROP 2–CHILD CARE PROPERTY TAX RELIEF

This blueprint is based in part on steps taken by the City of Austin and Travis County as they implemented Prop 2.

Develop your Own Timeline

Because there is a long list of tasks to be completed, develop your timeline to follow. The timeline may be most helpful if it describes who is doing what and when.

Strengthen Partnerships to Promote and Implement Prop 2

The first step to implementing Proposition 2 at a local level is to initiate conversations with your local representatives, whether it's the Commissioners Court or your City Council and Mayor.

- You can communicate with your local representatives in many ways. For example, most city and county websites have an online form that you can use to send your representative an email. You can also call their office and speak with a member of their staff or request a meeting.
- When you speak with your representatives, make it personal. Before calling, consider, “Why am I invested in this topic? How could this impact my life?” Then, bring these points up during your meeting.

Create Awareness of Prop 2 and Promote Its Value

- Speak with your friends, neighborhoods, family members, and coworkers in your community about why you're supporting this effort. The more people that local representatives hear from, the better!
- You can also write an **Op-Ed** or a **Letter to the Editor** to your local newspaper calling on local officials to enact Prop 2 in your community.

(See [templates](#) in the toolkit.) Op-eds help build public awareness of the constitutional amendment and will urge local officials to act when the media starts asking them about it.

- Use social media to increase awareness of Prop 2. You can tag local representatives in social media posts to spread awareness.

Identify and Cultivate Champions for Prop 2

Once there is a solid group supporting the initiative, identify one or more local representatives willing to lead the charge. They will likely need to get a vote on the subject added to an upcoming city or county meeting agenda for a formal vote.

Before a formal vote occurs, talk to your local representatives about implementation. Offer to be a resource if they have questions or need community feedback.

Ask representatives who are leading the effort if it would be helpful for one or more people to attend the city/county meeting and testify or register their support for the vote. Even if you cannot attend in person, the meetings should be public, and in many instances you can watch them online.

Make Sure Local Public Officials Hear from Constituents

- Once a formal vote is scheduled, try to ensure each representative who will vote on the topic hears from their constituents to vote “yes.” Emails, calls, and support in the local media can all be very effective here.
- If the vote passes, send everyone who voted for it a thank you note. If there's an opportunity on social media or in the local media, give the representatives who voted yes credit for supporting childcare for working families.
- These meetings where local officials discuss items such as Prop 2 are generally open to the public and allow for public comment. Contact the local official championing the effort and ask them when the meeting is

occurring, and if it's open to the public. **If it is open to the public, raise awareness of the meeting, encourage community members to attend, and share your own story.**

Make Sure City Officials are Communicating with the County Appraisal District

- While the above is happening, city/county officials **must** communicate with their County Appraisal District to understand how much time the Appraisal District would need to properly implement Prop 2 once enacted locally.
 - Travis County needs about a month to process the applications. In Austin, the Chief Appraiser of the Travis Central Appraisal District (TCAD) told City and County officials that they must enact the Property Tax Relief before **March 31, 2024**. This is because of **tax rate adoption considerations and to provide the appraisal districts sufficient time to receive and process the applications and affidavits necessary to qualify people for the exemption. The time needed for implementation will vary from county to county.**
- Declare a date in which the ordinance, or Prop 2, takes effect. In Austin, this date is April 30, 2024. This date is the FINAL day in which **providers and landlords can apply for the property tax exemption** if they want it to be implemented in 2024. This date was not set by the legislation, and is a statutory deadline set forth by the Tax Code sec. 11.43(d).

*****ASK LOCAL OFFICIALS THESE QUESTIONS**

1. (To Chief Appraiser/County Appraisal District) - How much time do you need to process the applications prior to the April 30, 2024 statutory deadline?