

Resolution

WHEREAS, child care is a critical support system for working families and sets children up for success, and all families deserve access to high-quality, affordable, and accessible child care; and

WHEREAS, federal funding which temporarily stabilized the child care industry during the COVID-19 pandemic expired on September 30, 2023, creating a child care funding cliff that projects nearly 4,000 Texas child care centers will close and leave approximately 306,000 children without care; and

WHEREAS, an August 2023 survey by the Texas Association for the Education of Young Children estimates that 80% of Harris County child care providers expect to raise tuition and/or lower wages if immediate financial assistance is not provided; and

WHEREAS, during the 88th Legislative Session, the Texas Legislature passed Senate Bill (SB) 1145 and Senate Joint Resolution (SJR) 64 to amend Article VIII of the Texas Constitution to allow cities and counties the option to provide an exemption from ad valorem property taxation between 50 to 100 percent of the appraised value of all or a part of real property used to operate a child care facility, contingent on voter approval; and

WHEREAS, on November 7, 2023, 64.8 percent of Texas voters approved the constitutional amendment (Proposition 2), which paved the way for SB 1145 and SJR 64 to officially become law on January 1, 2024; and

WHEREAS, to qualify for property tax exemptions, child care providers must participate in the Texas Rising Star Program and maintain a minimum 20 percent enrollment of children receiving subsidized services through the Texas Workforce Commission, among other criteria outlined in SB 1145; and

WHEREAS, it is estimated that 327 Harris County child care providers currently qualify for property tax exemptions under this constitutional amendment, and these exemptions will incentivize non-qualifying providers to increase the quality of their services by participating in the Texas Workforce Commission's Texas Rising Star Program, a requirement for eligibility; and

WHEREAS, property taxes have soared in recent years as a result of inflation and the COVID-19 pandemic, and approving property tax exemptions for qualifying child care facilities would provide critical and long-term financial assistance to the child care industry, encouraging facilities to remain open without increasing tuition for families or lowering staff wages; now, therefore:

BE IT RESOLVED that Harris County Commissioners Court wishes to reflect the will of the voters by adopting and authorizing a:

100% Property Tax Exemption for Qualifying Child Care Providers.

It is hereby **ORDERED** that this Resolution be spread upon the minutes of Commissioners Court this 26th day of March 2024.

LINA HIDALGO, County Judge

RODNEY ELLIS, Commissioner
Precinct One

TOM S. RAMSEY, P.E., Commissioner
Precinct Three

ADRIAN GARCIA, Commissioner
Precinct Two

LESLEY BRIONES, Commissioner
Precinct Four

ATTEST:

Teneshia Hudspeth, County Clerk
Harris County, T E X A S