



RESOLUTION

Opposing a Proposed Constitutional Amendment Limiting Local Property Tax Authority

WHEREAS, property taxes are the primary source of revenue for Hillsborough and municipalities in North Carolina and are essential to funding core public services, including police, fire protection, roads, solid waste, and transportation; and

WHEREAS, in North Carolina cities and towns, property tax revenues fund, on average, approximately 50% of municipal budgets for police and fire protection and approximately 20% for streets and transportation infrastructure; fire and police services in Hillsborough comprise 41.% of the General Fund budget; streets make up nearly 10% of the budget and when combined with public works, operations total 20%; and

WHEREAS, these services are fundamental to public safety, economic stability, and quality of life for residents, businesses, and visitors; and

WHEREAS, the House Select Committee on Property Tax Reduction and Reform is advancing a potential constitutional amendment that would impose rigid and inflexible constraints on local property tax authority; and

WHEREAS, such constraints would undermine local fiscal stability by increasing borrowing costs through reduced bond ratings, limiting the town's ability to respond to rising costs, and restricting the capacity to recover from natural disasters and other emergencies; and

WHEREAS, municipalities across North Carolina are already facing substantial cost increases in delivering essential services, including approximately an 80% increase in street resurfacing costs, a 33% increase in entry-level police officer market-rate salaries, and a 50% increase in the cost of fire trucks and other public safety vehicles over the past five years; Hillsborough has also experienced significant increases similar to other North Carolina local governments; and

WHEREAS, these fiscal pressures require local governments to retain flexibility to responsibly manage revenues in order to maintain service levels and meet community expectations; and

WHEREAS, property taxes fund the basic services and infrastructure that support businesses, attract investment, and sustain economic growth across North Carolina; and

WHEREAS, undermining local revenue authority risks shifting costs, reducing service quality, and weakening the economic competitiveness of North Carolina communities;

NOW, THEREFORE, be it resolved that the Hillsborough Board of Commissioners strongly opposes any open-ended constitutional amendment that lacks clear parameters and would significantly restrict local government revenue authority and the ability to provide essential services; and

BE IT FURTHER RESOLVED that the Hillsborough Board of Commissioners calls on the North Carolina General Assembly to reject proposals that would impose inflexible and subjective constraints on municipal property tax authority and instead work in partnership with local governments to support sustainable economic growth and service delivery; and

BE IT FURTHER RESOLVED should a constitutional amendment be placed on the November 2026 ballot, the Town of Hillsborough urges voters to vote against the amendment; and

BE IT FURTHER RESOLVED that a copy of this resolution shall be transmitted to the Chapel Hill Town Council, the Carrboro Town Council, the Mebane City Council, and the Orange County Board of Commissioners; and

BE IT FURTHER RESOLVED that a copy of this resolution shall be transmitted to Senator Jonah Garson and Representative Renee Price; and

BE IT FURTHER RESOLVED that a copy of this resolution shall be provided to the House Select Committee on Property Tax Reduction and Reform.

Approved this 13th day of April in the year 2026.

Mark Bell, Mayor
Town of Hillsborough