



FOR IMMEDIATE RELEASE
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Texas Fiscal Conservatives Respond to New Budget Guidance

TEXAS - Four longtime advocates for fiscal responsibility today released the following joint statement regarding Governor Abbott, Lieutenant Governor Patrick, and Speaker Burrows' budget guidance issued on Wednesday, July 15th, 2026:

Yesterday, Texas Governor Greg Abbott, Lieutenant Governor Dan Patrick, and Speaker Dustin Burrows directed most state agencies to reduce their base budget requests by three percent as they prepare Legislative Appropriations Requests (LARs) for the 2028-29 biennium.

We welcome the acknowledgment by state leaders that government spending must be restrained. However, after years of approving record budget growth, Texans deserve policies that produce measurable reductions in government spending, not simply smaller requests for future spending increases. Every agency should be expected to justify every taxpayer dollar it spends, and requiring agencies to review their budgets is preferable to simply assuming automatic growth.

"For years, we've documented the rapid growth of the Texas budget. Texans deserve an honest conversation about what this guidance actually means, and it is not a three percent cut in state spending. The goal shouldn't simply be a smaller budget request. The goal should be restoring a culture of fiscal responsibility in Texas government, one where every program is justified, every dollar is scrutinized, and taxpayers can trust that government is living within its means."

— Jeremy Kitchen, President, Texas Policy Research Action

But Texans should also understand what this guidance actually does and what it does not do.

First, agencies are not being ordered to reduce state spending by three percent. They are being instructed to request three percent less than their previous baseline, not necessarily to spend three percent less. The Legislature will ultimately determine final appropriations, and agencies remain free to seek additional funding through exceptional item requests. Furthermore, many of the state's largest spending obligations, including public education, Medicaid caseload growth, debt service, employee benefits, and Education Savings Accounts, are expressly exempt from the directive.

"The Texas Legislature should cut appropriations. The state funds budget is up 42 percent over the last two budget cycles, while population growth plus inflation is up 25 percent. In other words, spending has substantially outpaced the average taxpayer's ability to pay for it. Without actual spending cuts, these proposals are just window dressing for political points in an election year."

— Dr. Vance Ginn, President, Ginn Economic Consulting

Second, this announcement comes after Texas increased state spending by approximately 42 percent over the last two budget cycles. Even if the full three percent reduction ultimately carries through to appropriations, it would leave nearly all of that spending growth intact. Asking agencies to request slightly less money should not be confused with reversing years of government expansion.

The purpose of budgeting should not be to negotiate over ever-larger spending requests. It should be to determine what the government actually needs to do, eliminate programs that no longer serve taxpayers, and ensure public dollars are being used efficiently and responsibly.

"Over the last 10 years, the appropriations of state funds have increased by \$110 billion, up 78%. It is as if the appropriations process were designed to deliver as much taxpayer money as possible to the maximum number of special interests. If that's the case, it is working exactly as designed. The system is broken. Only voters can fix it by electing politicians dedicated to fiscal discipline."

— Bill Peacock, Publisher, ExcellentThought

Finally, Texas should not settle for merely managing the rate of spending growth when the real challenge is reducing the overall size and cost of government. Taxpayers deserve budgets that grow no faster than population growth plus inflation, meaningful reductions where programs have expanded beyond their core missions, stronger state and local spending limits, and a credible path toward eliminating school district maintenance and operations property taxes.

This announcement is a step in the right direction, but it is not commensurate with the scale of the challenge. After decades of substantial budget growth, culminating in approximately 42 percent spending growth over just the last two budget cycles, Texas needs structural reforms that actually reduce the size and cost of government, not simply slower requests for future spending increases.

"Cutting 3%, 5%, or even 10% from programs we shouldn't be funding in the first place won't fix Texas' overspending problem. The Legislature's addiction to hiding new spending inside constitutional amendments and blowing our surplus grows government—which overtaxes Texas families and small businesses. The government itself is driving today's affordability crisis. Grassroots conservatives didn't spend decades fighting to slow government growth. We fought to shrink government. For the sake of Texans and their liberty, Let's Make Limited Government Great Again!"

— JoAnn Fleming, Executive Director, Grassroots America – We the People®

Texans deserve a serious conversation about restoring fiscal discipline, and we stand ready to support reforms that move beyond symbolism and produce lasting results for taxpayers.

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