By: Mowery

H.B. No. 448

A BILL TO BE ENTITLED AN ACT 1 2 relating to the selection of the board of directors of an appraisal 3 district. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 SECTION 1. Sections 6.03, 6.031, 6.033, and 6.037, Tax 5 Code, are amended to read as follows: 6 Sec. 6.03. BOARD OF DIRECTORS. (a) The appraisal district 7 is governed by a board of directors. In an appraisal district 8 established for a county with a population of less than 50,000, the 9 board consists of seven directors. The county assessor-collector 10 is a director by virtue of the person's office. Three directors 11 12 other than the county assessor-collector are elected at the general election for state and county officers, and three [Five] directors 13 14 are appointed by the taxing units that participate in the district as provided by this section. In an appraisal district established 15 for a county with a population of 50,000 or more, the board consists 16 of 15 directors. The county assessor-collector is a director by 17 virtue of the person's office. Seven directors other than the 18 county assessor-collector are elected at the general election for 19 state and county officers, and seven directors are appointed by the 20 21 taxing units that participate in the district as provided by this section. [If the county assessor-collector is not appointed to the 22 board, the county assessor-collector serves as a nonvoting 23 rector. The county assessor-collector is ineligible to serve 24

the board enters into a contract under Section 6.05(b) or if the 1 2 commissioners court of the county enters into a contract under Section 6.24(b).] To be eligible to serve on the board of directors, 3 4 an individual other than a county assessor-collector [serving as a 5 nonvoting director] must be a resident of the district and must have 6 resided in the district for at least two years immediately preceding the date the individual takes office. An individual who 7 8 is otherwise eligible to serve on the board as a member appointed by 9 the taxing units participating in the district is not ineligible because of membership on the governing body of a taxing unit. An 10 employee of a taxing unit that participates in the district is not 11 eligible to serve on the board as a member appointed by the taxing 12 units participating in the district unless the individual is also a 13 14 member of the governing body or an elected official of a taxing unit 15 that participates in the district.

(b) Members of the board of directors other than a county assessor-collector [serving as a nonvoting director] serve two-year terms. The terms of directors elected at a general election begin on January 1 of odd-numbered years. The terms of directors appointed by the taxing units begin [beginning] on January 1 of even-numbered years.

(c) Members of the board of directors other than a county assessor-collector <u>and other than the members elected at the</u> <u>general election</u> [serving as a nonvoting director] are appointed by vote of the governing bodies of the incorporated cities and towns, the school districts, and, if entitled to vote, the conservation and reclamation districts that participate in the district and of

the county. A governing body may cast all its votes for one 1 2 candidate or distribute them among candidates for any number of Conservation and reclamation districts are not 3 directorships. 4 entitled to vote unless at least one conservation and reclamation district in the district delivers to the chief appraiser a written 5 request to nominate and vote on the board of directors by June 1 of 6 each odd-numbered year. On receipt of a request, the chief 7 8 appraiser shall certify a list by June 15 of all eligible 9 conservation and reclamation districts that are imposing taxes and 10 that participate in the district.

The voting entitlement of a taxing unit that is entitled 11 (d) to vote for directors is determined by dividing the total dollar 12 amount of property taxes imposed in the district by the taxing unit 13 14 for the preceding tax year by the sum of the total dollar amount of 15 property taxes imposed in the district for that year by each taxing unit that is entitled to vote, by multiplying the quotient by 1,000, 16 17 and by rounding the product to the nearest whole number. That number is multiplied by the number of directorships to be filled. A taxing 18 unit participating in two or more districts is entitled to vote in 19 each district in which it participates, but only the taxes imposed 20 21 in a district are used to calculate voting entitlement in that district. 22

(e) The chief appraiser shall calculate the number of votes to which each taxing unit other than a conservation and reclamation district is entitled and shall deliver written notice to each of those units of its voting entitlement before October 1 of each odd-numbered year. The chief appraiser shall deliver the notice:

H.B. No. 448 (1) to the county judge and each commissioner of the county served by the appraisal district;

3 (2) to the presiding officer of the governing body of 4 each city or town participating in the appraisal district, to the 5 city manager of each city or town having a city manager, and to the 6 city secretary or clerk, if there is one, of each city or town that 7 does not have a city manager; and

8 (3) to the presiding officer of the governing body of 9 each school district participating in the district and to the 10 superintendent of those school districts.

The chief appraiser shall calculate the number of votes 11 (f) to which each conservation and reclamation district entitled to 12 vote for district directors is entitled and shall deliver written 13 14 notice to the presiding officer of each conservation and 15 reclamation district of its voting entitlement and right to nominate a person to serve as a director of the district before July 16 17 1 of each odd-numbered year.

(g) Each taxing unit other than a conservation and reclamation district that is entitled to vote may nominate by resolution adopted by its governing body one candidate for each position to be filled on the board of directors. The presiding officer of the governing body of the unit shall submit the names of the unit's nominees to the chief appraiser before October 15.

(h) Each conservation and reclamation district entitled to
vote may nominate by resolution adopted by its governing body one
candidate for the district's board of directors. The presiding
officer of the conservation and reclamation district's governing

body shall submit the name of the district's nominee to the chief 1 appraiser before July 15 of each odd-numbered year. Before August 2 1, the chief appraiser shall prepare a nominating ballot, listing 3 all the nominees of conservation and reclamation districts 4 5 alphabetically by surname, and shall deliver a copy of the nominating ballot to the presiding officer of the board of 6 directors of each district. The board of directors of each district 7 8 shall determine its vote by resolution and submit it to the chief appraiser before August 15. The nominee on the ballot with the most 9 votes is the nominee of the conservation and reclamation districts 10 in the appraisal district if the nominee received more than 10 11 percent of the votes entitled to be cast by all of the conservation 12 and reclamation districts in the appraisal district, and shall be 13 14 named on the ballot with the candidates nominated by the other taxing units. The chief appraiser shall resolve a tie vote by any 15 method of chance. 16

If no nominee of the conservation and reclamation 17 (i) districts receives more than 10 percent of the votes entitled to be 18 cast under Subsection (h), the chief appraiser, before September 1, 19 shall notify the presiding officer of the board of directors of each 20 conservation and reclamation district of the failure to select a 21 nominee. Each conservation and reclamation district may submit a 22 nominee by September 15 to the chief appraiser as provided by 23 The chief appraiser shall submit a second 24 Subsection (h). 25 nominating ballot by October 1 to the conservation and reclamation 26 districts as provided by Subsection (h). The conservation and reclamation districts shall submit their votes for nomination 27

before October 15 as provided by Subsection (h). The nominee on the second nominating ballot with the most votes is the nominee of the conservation and reclamation districts in the appraisal district and shall be named on the ballot with the candidates nominated by the other taxing units. The chief appraiser shall resolve a tie vote by any method of chance.

7 (j) Before October 30, the chief appraiser shall prepare a 8 ballot, listing the candidates alphabetically according to the 9 first letter in each candidate's surname, and shall deliver a copy 10 of the ballot to the presiding officer of the governing body of each 11 taxing unit that is entitled to vote.

(k) The governing body of each taxing unit entitled to vote 12 shall determine its vote by resolution and submit it to the chief 13 14 appraiser before November 15. The chief appraiser shall count the votes, declare the three [five] candidates who receive the largest 15 cumulative vote totals appointed for an appraisal district 16 17 established for a county with a population of less than 50,000, or the seven candidates who receive the largest cumulative vote totals 18 19 appointed for an appraisal district established for a county with a population of 50,000 or more [elected], and submit the results 20 21 before December 1 to the governing body of each taxing unit in the district and to the candidates. For purposes of determining the 22 number of votes received by the candidates, the candidate receiving 23 24 the most votes of the conservation and reclamation districts is 25 considered to have received all of the votes cast by conservation 26 and reclamation districts and the other candidates are considered not to have received any votes of the conservation and reclamation 27

1 districts. The chief appraiser shall resolve a tie vote by any 2 method of chance.

If a vacancy occurs \underline{in} an appointed position on the 3 (1)4 board of directors [other than a vacancy in the position held by a 5 county assessor-collector serving as a nonvoting director], each 6 taxing unit that is entitled to vote by this section may nominate by 7 resolution adopted by its governing body a candidate to fill the 8 vacancy. The unit shall submit the name of its nominee to the chief 9 appraiser within 10 days after notification from the board of directors of the existence of the vacancy, and the chief appraiser 10 shall prepare and deliver to the board of directors within the next 11 five days a list of the nominees. The board of directors shall 12 appoint [elect] by majority vote of its members one of the nominees 13 14 to fill the vacancy. If a vacancy occurs in an elected position on 15 the board of directors, the board of directors shall appoint by majority vote of its members a person to fill the vacancy. A person 16 17 appointed to fill a vacancy in an elected position must have the qualifications required of a director elected at a general 18 election. 19

If a school district participates in an appraisal 20 (m) 21 district in which the only property of the school district located in the appraisal district is property annexed to the school 22 district under Subchapter C or G, Chapter 41, Education Code, an 23 24 individual who does not meet the residency requirements of 25 Subsection (a) is eligible to be appointed to the board of 26 directors of the appraisal district by the taxing units 27 participating in the appraisal district if:

H.B. No. 448 (1) the individual is a resident of the school 2 district; and

3 (2) the individual is nominated as a candidate for the 4 board of directors by the school district or, if the taxing units 5 have adopted a change in the method of appointing board members that 6 does not require a nomination, the school district appoints or 7 participates in the appointment of the individual.

Sec. 6.031. CHANGES IN BOARD MEMBERSHIP [OR SELECTION]. 8 9 (a) The board of directors of an appraisal district established for a county with a population of less than 50,000, by resolution 10 adopted and delivered to each taxing unit participating in the 11 district before May [August] 15, may increase the number of members 12 on the board of directors of the district to not more than 15 [13], 13 14 change the method or procedure for appointing the members appointed 15 by the taxing units participating in the district, or both, unless the governing body of a taxing unit that is entitled to vote on the 16 17 appointment of board members adopts a resolution opposing the change in the method or procedure for appointing those members, and 18 files it with the board of directors before June [September] 1. If 19 a change in the method or procedure for appointing those members is 20 21 rejected, the board shall notify, in writing, each taxing unit participating in the district before June [September] 15. 22

(b) The taxing units participating in an appraisal district established for a county with a population of less than 50,000 may increase the number of members on the board of directors of the district to not more than <u>15</u> [13], change the method or procedure for appointing the members <u>appointed by the taxing units</u>

participating in the district, or both, if the governing bodies of 1 three-fourths of the taxing units that are entitled to vote on the 2 3 appointment of board members adopt resolutions providing for the 4 change. However, a change under this subsection in the method or 5 procedure for selecting members appointed by the taxing units 6 participating in the district is not valid if it reduces the voting 7 entitlement of one or more taxing units that do not adopt a 8 resolution proposing it to less than a majority of the voting 9 entitlement under Section 6.03 [of this code] or if it reduces the voting entitlement of any taxing unit that does not adopt a 10 resolution proposing it to less than 50 percent of its voting 11 entitlement under Section 6.03 [of this code] and if that taxing 12 unit's allocation of the budget is not reduced to the same 13 proportional percentage amount, or if it expands the types of 14 15 taxing units that are entitled to vote on appointment of board members. 16

(c) An official copy of a resolution under this section must be filed with the chief appraiser of the appraisal district after <u>May</u> [June] 30 and before <u>August</u> [October] 1 [of a year in which <u>board members are appointed</u>] or the resolution is ineffective.

(d) Before <u>August 15</u> [October 5 of each year in which board members are appointed,] the chief appraiser shall determine whether a sufficient number of eligible taxing units have filed valid resolutions proposing a change for the change to take effect. The chief appraiser shall notify each taxing unit participating in the district of each change that is adopted before <u>August 30</u> [October 10]. <u>A change in the method or procedure for selecting members</u>

appointed by the taxing units participating in the district that is 1 2 adopted takes effect on the date the chief appraiser notifies the taxing units of the change. An increase in the number of members of 3 the board takes effect on January 1 of the first year after the date 4 5 the chief appraiser notifies the taxing units of the increase. 6 (e) If the number of members of the board is increased under 7 this section, at least one-half of the total number of members, as increased, other than the county assessor-collector, shall be 8 9 elected at the general election for state and county officers. The board of directors by majority vote of its members may increase the 10 number of members to be elected to more than the minimum number 11

12 required by this subsection.

13 (f) A change in [membership or] selection of the board 14 members appointed by the taxing units participating in the district 15 made as provided by this section remains in effect until changed in 16 a manner provided by this section or rescinded by resolution of a 17 majority of the governing bodies that are entitled to vote on 18 appointment of board members under Section 6.03 [of this code].

19 (g) [(f)] A provision of Section 6.03 [of this code] that is 20 subject to change under this section but is not expressly changed by 21 resolution of a sufficient number of eligible taxing units remains 22 in effect.

23 (h) [(g)] For purposes of this section, the conservation 24 and reclamation districts in an appraisal district are considered 25 to be entitled to vote on the appointment of appraisal district 26 directors if:

27

(1) a conservation and reclamation district has filed

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3 (2) conservation and reclamation districts were 4 entitled to vote on the appointment of directors in the appraisal 5 district in the most recent year in which directors were appointed 6 under Section 6.03.

Sec. 6.033. RECALL OF DIRECTOR APPOINTED BY TAXING UNITS 7 8 PARTICIPATING IN APPRAISAL DISTRICT. (a) The governing body of a taxing unit may call for the recall of a member of the board of 9 directors of an appraisal district appointed by the taxing units 10 participating in the district under Section 6.03 [of this code] for 11 whom the unit cast any of its votes in the appointment of the board. 12 The call must be in the form of a resolution, be filed with the chief 13 appraiser of the appraisal district, and state that the unit is 14 15 calling for the recall of the member. If a resolution calling for the recall of a board member is filed under this subsection, the 16 chief appraiser, not later than the 10th day after the date of 17 filing, shall deliver a written notice of the filing of the 18 resolution and the date of its filing to the presiding officer of 19 the governing body of each taxing unit entitled to vote in the 20 appointment of board members. 21

(b) On or before the 30th day after the date on which a resolution calling for the recall of a member of the board <u>appointed</u> <u>by the taxing units participating in the district</u> is filed, the governing body of a taxing unit that cast any of its votes in the appointment of the board for that member may vote to recall the member by resolution submitted to the chief appraiser. Each taxing

unit is entitled to the same number of votes in the recall as it cast for that member in the appointment of the board. The governing body of the taxing unit calling for the recall may cast its votes in favor of the recall in the same resolution in which it called for the recall.

6 (c) Not later than the 10th day after the last day provided by this section for voting in favor of the recall, the chief 7 8 appraiser shall count the votes cast in favor of the recall. If the 9 number of votes in favor of the recall equals or exceeds a majority of the votes cast for the member in the appointment of the board, 10 the member appointed by the taxing units participating in the 11 district is recalled and ceases to be a member of the board. 12 The chief appraiser shall immediately notify in writing the presiding 13 officer of the appraisal district board of directors and of the 14 15 governing body of each taxing unit that voted in the recall election of the outcome of the recall election. If the presiding officer of 16 the appraisal district board of directors is the member whose 17 recall was voted on, the chief appraiser shall also notify the 18 secretary of the appraisal district board of directors of the 19 outcome of the recall election. 20

(d) If a vacancy occurs on the board of directors after the recall of a member of the board <u>appointed by the taxing units</u> <u>participating in the district</u> under this section, the taxing units that were entitled to vote in the recall election shall appoint a new board member. Each taxing unit is entitled to the same number of votes as it originally cast to appoint the recalled board member. Each taxing unit entitled to vote may nominate one candidate by

resolution adopted by its governing body. The presiding officer of 1 the governing body of the unit shall submit the name of the unit's 2 nominee to the chief appraiser on or before the 30th day after the 3 4 date it receives notification from the chief appraiser of the result of the recall election. On or before the 15th day after the 5 6 last day provided for a nomination to be submitted, the chief 7 appraiser shall prepare a ballot, listing the candidates nominated 8 alphabetically according to each candidate's surname, and shall 9 deliver a copy of the ballot to the presiding officer of the governing body of each taxing unit that is entitled to vote. On or 10 before the 15th day after the date on which a taxing unit's ballot 11 is delivered, the governing body of the taxing unit shall determine 12 its vote by resolution and submit it to the chief appraiser. On or 13 before the 15th day after the last day on which a taxing unit may 14 15 vote, the chief appraiser shall count the votes, declare the candidate who received the largest vote total appointed, and submit 16 17 the results to the presiding officer of the governing body of the appraisal district and of each taxing unit in the district and to 18 the candidates. The chief appraiser shall resolve a tie vote by any 19 method of chance. 20

21 (e) If the members appointed by the taxing units participating in the district to the board of directors of an 22 appraisal district are [is] appointed by a method or procedure 23 24 adopted under Section 6.031 [of this code], the governing bodies of 25 the taxing units that voted for or otherwise participated in the appointment of a member of the board may recall that member and 26 27 appoint a new member to the vacancy by any method adopted by

resolution of a majority of those governing bodies. If the appointment was by election by the taxing units participating in the district, the method of recall and of appointing a new member to the vacancy is not valid unless it provides that each taxing unit is entitled to the same number of votes in the recall and in the appointment to fill the vacancy as it originally cast for the member being recalled.

Sec. 6.037. PARTICIPATION OF CONSERVATION AND RECLAMATION 8 9 DISTRICTS IN APPRAISAL DISTRICT MATTERS. In this title, a reference to the taxing units entitled to vote on the appointment of 10 appraisal district board members includes the conservation and 11 reclamation districts participating in the appraisal district, 12 without regard to whether the conservation and reclamation 13 districts are currently entitled to do so under Section 6.03(c). In 14 15 a provision of this title other than Section 6.03 or 6.031 that grants authority to a majority or other number of the taxing units 16 17 entitled to vote on the appointment of appraisal district directors, including the disapproval of the appraisal district 18 budget under Section 6.06 [and the disapproval of appraisal 19 district board actions under Section 6.10], the conservation and 20 21 reclamation districts participating in the appraisal district are given the vote or authority of one taxing unit. That vote or 22 authority is considered exercised only if a majority of the 23 24 conservation and reclamation districts take the same action to 25 exercise that vote or authority. Otherwise, the conservation and 26 reclamation districts are treated in the same manner as a single 27 taxing unit that is entitled to act but does not take any action on

H.B. No. 448 1 the matter. SECTION 2. Section 42.005(a), Election Code, is amended to 2 3 read as follows: 4 (a) A county election precinct, including a consolidated 5 precinct, may not contain territory from more than one of each of 6 the following types of territorial units: 7 (1) a commissioners precinct; 8 (2) a justice precinct; 9 (3) a congressional district; (4) a state representative district; 10 (5) a state senatorial district; 11 12 (6) a ward in a city with a population of 10,000 or more; [or] 13 14 (7) a State Board of Education district; or 15 (8) an appraisal district established under Chapter 6, 16 Tax Code. 17 SECTION 3. Section 52.092(d), Election Code, is amended to read as follows: 18 District offices of the state government shall be listed 19 (d) in the following order: 20 (1) member, State Board of Education; 21 (2) state senator; 22 23 state representative; (3) 24 (4) chief justice, court of appeals; 25 (5) justice, court of appeals; (6) district judge; 26 criminal district judge; 27 (7)

1	<pre>(8) family district judge;</pre>
2	<pre>(9) district attorney;</pre>
3	(10) criminal district attorney <u>;</u>
4	(11) appraisal district director.
5	SECTION 4. Section 172.024, Election Code, is amended by
6	adding Subsection (c) to read as follows:
7	(c) For the office of appraisal district director, the
8	filing fee for a candidate for nomination in the general primary
9	election is:
10	(1) county with a population of 200,000 or
11	more
12	(2) county with a population under 200,000 200.
13	SECTION 5. Sections 6.034 and 6.10, Tax Code, are repealed.
14	SECTION 6. (a) Except as otherwise provided by this
15	section, this Act takes effect January 1, 2005.
16	(b) This section and Sections 2, 3, and 4 of this Act take
17	effect September 1, 2003.
18	(c) Appraisal district directors shall be elected as
19	provided by Section 6.03, Tax Code, as amended by this Act,
20	beginning with the primary and general elections conducted in 2004.
21	Members then elected take office January 1, 2005.
22	(d) The change in the manner of selection of appraisal
23	district directors made by this Act does not affect the selection of
24	directors who serve on the board before January 1, 2005.
25	(e) The term of an appraisal district director serving on
26	December 31, 2004, expires on January 1, 2005.