

By: Keffer of Dallas

H.B. No. 2614

A BILL TO BE ENTITLED

AN ACT

relating to promoting independent and impartial appraisal review boards.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 6, Subchapter C, Tax Code, is amended by adding Sections 6.44, 6.45, 6.46, 6.47, and 6.48 to read as follows:

Sec. 6.44. IMPROPER CONTACT WITH APPRAISAL REVIEW BOARD MEMBERS. (a) A representative of an appraisal district, a taxing unit, or a property owner may not discuss appraisal review board or appraisal district activities generally or relating to a particular property or kind of property with an appraisal review board or with a member of or candidate for an appraisal review board outside of a public hearing conducted under Section 25.25 or Chapter 41, a non-emergency public meeting when the discussion is on the agenda posted under the Open-Meetings Act, or as a presenter at a training or education session conducted under Section 5.041.

(b) An appraisal review board member who has participated in a contact that violates this section is ineligible to participate in a hearing that directly or indirectly involves any matter discussed in the contact. It is a ground for removal under Section 6.41(f) if an appraisal review board member fails to disclose participation in a contact made improper by this section or participates in a hearing in violation of this subsection.

(c) For purposes of this subchapter:

1 (1) "Representative of an appraisal district or a
2 taxing unit" includes a chief appraiser, an employee or agent of an
3 appraisal office, an officer, employee, or agent of a taxing unit,
4 or an employee, agent, or other representative of any group or
5 association of taxing units, appraisal districts, chief
6 appraisers, or appraisal district or taxing unit agents or
7 employees.

8 (2) "Representative of a property owner" means a
9 property tax consultant as defined in Article 8886, Revised
10 Statutes, an employee or agent of a property owner whose primary
11 responsibility is to represent the property owner in property tax
12 matters, a property owner who has a protest pending before the
13 appraisal review board, or an employee, agent, or other
14 representative of any group or association that is organized to
15 protect the interests of property tax payers or property tax
16 consultants.

17 (d) This section does not apply to an educational or
18 training course or meeting conducted under Section 5.041, but the
19 comptroller shall ensure that any presentation to members of or
20 candidates for appraisal review boards that includes, as a
21 presenter, a representative of an appraisal district, a taxing
22 unit, or a property owner is balanced with equally effective
23 presenters for both property owners and appraisal districts or
24 taxing units.

25 Sec. 6.45. APPRAISAL REVIEW BOARD BUDGET. (a) Each year
26 the appraisal review board shall prepare a budget for the
27 operations of the appraisal review board for the following year.

1 The appraisal review board budget must comply with the requirements
2 of Section 6.06(a) for the appraisal office budget. The chairman
3 shall submit a copy of the budget to the chief appraiser before June
4 15 for the chief appraiser to attach to the appraisal office budget
5 under Section 6.06(a).

6 (b) In an appraisal district for a county having a
7 population of fewer than 300,000, the chairman of the appraisal
8 review board and the chairman of the appraisal district board of
9 directors may agree to have a member of the board of directors
10 prepare the budget for the appraisal review board.

11 Sec. 6.46. PROHIBITED INTERFERENCE WITH INDEPENDENCE. A
12 representative of an appraisal district, a taxing unit, or a
13 property owner may not:

14 (1) discuss, propose, or oppose a candidate for
15 appointment or reappointment to the appraisal review board,
16 directly or indirectly, with a member of the appraisal district
17 board of directors or with a member of the governing board or
18 officer of a taxing unit; or

19 (2) maintain a list of appraisal review board member
20 votes or otherwise monitor an appraisal review board member's
21 voting tendencies or assist anyone in doing so for the purpose of
22 informing or influencing the appraisal district board of directors
23 or a taxing unit relating to appointments to the appraisal review
24 board.

25 Sec. 6.47. APPRAISAL REVIEW BOARD OFFICES. (a) If an
26 appraisal district provides office space for the appraisal review
27 board or its members and staff, the space must include the place for

1 conduct of appraisal review board meetings and must be separately
2 secured from the space for the appraisal office staff and be
3 controlled by the appraisal review board.

4 (b) The appraisal review board shall control access to its
5 offices by representatives of the appraisal district, a taxing
6 unit, and property owners in a manner that will promote and ensure
7 the independence and impartiality of its members and staff.

8 Sec. 6.48. CODE OF ETHICS. (a) The comptroller shall
9 adopt, and periodically update when circumstances justify a
10 revision, a code of ethics covering professional, personal, and
11 social activities of appraisal review board members and staff to
12 guide and assist them to maintain the highest standards of
13 independence and impartiality as well as the appearance of
14 independence and impartiality in the performance of their duties.
15 The code of ethics must give appropriate emphasis to the appraisal
16 review board's responsibility to be a neutral, impartial arbiter of
17 property tax disputes and to decide those disputes based on the
18 evidence presented at the hearing.

19 (b) The comptroller shall publish the code of ethics for
20 appraisal review board members, provide a copy without charge to
21 each appraisal review board member, and include appropriate
22 discussion of ethics in training sessions and educational courses.

23 SECTION 2. Section 6.41, Tax Code, is amended by adding
24 Subsection (f) to read as follows:

25 (f) Except as provided by this code, the appraisal review
26 board has exclusive, original jurisdiction of any dispute about an
27 action of the chief appraiser, the appraisal district, or the

1 appraisal review board that applies to and adversely affects a
2 property owner or a taxing unit.

3 SECTION 3. Section 6.43, Tax Code, is amended to read as
4 follows:

5 Sec. 6.43. PERSONNEL. (a) The appraisal review board may
6 employ legal counsel and clerical and administrative staff as
7 provided by the district budget [~~or~~]. In an appraisal district
8 established for a county having a population of fewer than 300,000,
9 the appraisal review board may use the services of the county
10 attorney and may use the staff of the appraisal office for clerical
11 assistance. However, an appraisal review board or a member or
12 employee of an appraisal review board may not seek professional or
13 technical assistance or advice from a representative of an
14 appraisal district or a taxing unit or from any property owner,
15 agent, or representative interested in a matter pending before the
16 board.

17 (b) The appraisal review board may not employ a
18 professional, administrative, and clerical employee who is or has
19 been in the preceding two years a representative of an appraisal
20 district or a taxing unit. The appraisal review board shall adopt
21 and enforce rules to ensure that staff and legal counsel it employs
22 are independent of the appraisal office, the taxing units
23 participating in the district, and property owners or agents
24 interested in a matter that may come before the board.

25 (c) Each member of the appraisal review board is an officer
26 for purposes of the nepotism law, Chapter 573, Government Code.

27 (d) The appraisal review board may not employ an individual

1 that Section 6.05 or the nepotism law, Chapter 573, Government
2 Code, prohibits the chief appraiser or the appraisal district from
3 employing.

4 SECTION 4. Section 42.21(b), Tax Code, is amended to read as
5 follows:

6 (b) A petition for review brought under Section 42.02 must
7 be brought against the owner of the property involved in the appeal.
8 A petition for review brought under Section 42.031 must be brought
9 against the appraisal district and against the owner of the
10 property involved in the appeal. A petition for review brought
11 under Subdivision (2) or (3) of Section 42.01 or under Section 42.03
12 must be brought against the comptroller. Any other petition for
13 review under this chapter must be brought against the appraisal
14 district. A petition for review may not [~~is not required to~~] be
15 brought against the appraisal review board or a member of the
16 appraisal review board [~~, but may be brought against the appraisal~~
17 ~~review board in addition to any other required party, if~~
18 ~~appropriate~~].

19 SECTION 5. Section 6.05, Tax Code, is amended by adding
20 Subsection (i) to read as follows:

21 (i) The chief appraiser may not employ any individual that
22 Section 6.43 or the nepotism law, Chapter 573, Government Code,
23 prohibits the appraisal review board from employing.

24 SECTION 6. Section 6.06(a), Tax Code, is amended to read as
25 follows:

26 (a) Each year the chief appraiser shall prepare a proposed
27 budget for the operations of the appraisal office [~~district~~] for

1 the following tax year and shall submit copies of the appraisal
2 office budget and the appraisal review board budget prepared as
3 provided by Section 6.45 to each taxing unit participating in the
4 district and to the district board of directors before June 15. The
5 two budgets combined constitute the appraisal district budget. The
6 chief appraiser [~~He~~] shall include in the budget a list showing each
7 proposed position, the proposed salary for the position, all
8 benefits proposed for the position, each proposed capital
9 expenditure, and an estimate of the amount of the budget that will
10 be allocated to each taxing unit. Each taxing unit entitled to vote
11 on the appointment of board members shall maintain a copy of the
12 proposed budget for public inspection at its principal
13 administrative office.

14 SECTION 7. Section 25.25(g), Tax Code, is amended to read as
15 follows:

16 (g) A [~~Within 45 days after receiving notice of the~~
17 ~~appraisal review board's determination of a motion under this~~
18 ~~section, the~~] property owner or the chief appraiser may file suit to
19 compel the board to hold a hearing on a motion filed under this
20 section if the board has not held a hearing within 60 days after the
21 date the motion was filed or to issue an order determining a motion
22 if the board has not issued an order within 30 days after the date of
23 the hearing [~~order a change in the appraisal roll as required by~~
24 ~~this section~~].

25 SECTION 8. Section 5.041(d), Tax Code, is amended to read as
26 follows:

27 (d) The course material for the course required under

1 Subsection (a) is the comptroller's Appraisal Review Board Manual
2 in use on the effective date of this section the comptroller's Code
3 of Ethics for Appraisal Review Board Members in effect on the date
4 of the course. The manual shall be updated regularly. It may be
5 revised on request, in writing, to the comptroller. The revision
6 language must be approved on the unanimous agreement of a committee
7 selected by the comptroller and representing, equally, taxpayers
8 and chief appraisers. The person requesting the revision shall pay
9 the costs of mediation if the comptroller determines that mediation
10 is required.

11 SECTION 9. For purposes of the appraisal review board
12 budget for calendar year 2003, if this Act takes effect too late for
13 the appraisal review board to prepare a budget in compliance with
14 the timetable imposed by law, the appraisal review board shall
15 propose its budget as an amendment to the appraisal district budget
16 as soon as practicable after this Act becomes law. If the appraisal
17 review board proposes its amendment too late for adoption with the
18 remainder of the appraisal district's budget, the board of
19 directors shall consider the proposed amendment as provided by
20 Section 6.06(c), Tax Code, and amend the approved budget as
21 appropriate to establish and maintain an independent and impartial
22 appraisal review board as soon as practicable.