

Amend CSHB 3, in Article 1 of the bill, by adding the following appropriately designated Part and redesignating subsequent Parts accordingly:

PART __. APPRAISAL DISTRICT BOARD OF DIRECTORS

SECTION 1__.01. Sections 6.03(a)-(c) and (k)-(m), Tax Code, are amended to read as follows:

(a) The appraisal district is governed by a board of directors. The board consists of seven directors. Two directors are elected at the general election for state and county officers, and five ~~[Five]~~ directors are appointed by the taxing units that participate in the district as provided by this section. If the county assessor-collector is not appointed to the board, the county assessor-collector serves as a nonvoting director. The county assessor-collector is ineligible to serve if the board enters into a contract under Section 6.05(b) or if the commissioners court of the county enters into a contract under Section 6.24(b). To be eligible to serve on the board of directors, an individual other than a county assessor-collector serving as a nonvoting director must be a resident of the district and must have resided in the district for at least two years immediately preceding the date the individual takes office. An individual who is otherwise eligible to serve on the board as a member appointed by the taxing units participating in the district is not ineligible because of membership on the governing body of a taxing unit. An employee of a taxing unit that participates in the district is not eligible to serve on the board as a member appointed by the taxing units participating in the district unless the individual is also a member of the governing body or an elected official of a taxing unit 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 serving as a nonvoting director and other than the members elected at the general election 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 candidate or distribute them among candidates for any number of directorships. Conservation and reclamation districts are not entitled to vote unless at least one conservation and reclamation district in the district delivers to the chief appraiser a written request to nominate and vote on the board of directors by June 1 of each odd-numbered year. On receipt of a request, the chief appraiser shall certify a list by June 15 of all eligible conservation and reclamation districts that are imposing taxes and that participate in the district.

(k) The governing body of each taxing unit entitled to vote shall determine its vote by resolution and submit it to the chief appraiser before December 15. The chief appraiser shall count the votes, declare the five candidates who receive the largest cumulative vote totals appointed [~~elected~~], and submit the results before December 31 to the governing body of each taxing unit in the district and to the candidates. For purposes of determining the number of votes received by the candidates, the candidate receiving the most votes of the conservation and reclamation districts is considered to have received all of the votes cast by conservation and reclamation districts and the other candidates are considered not to have received any votes of the conservation and reclamation districts. The chief appraiser shall resolve a tie vote by any method of chance.

(l) If a vacancy occurs in an appointed position on the board of directors [~~other than a vacancy in the position held by a county assessor-collector serving as a nonvoting director~~], each taxing unit that is entitled to vote by this section may nominate by resolution adopted by its governing body a candidate to fill the vacancy. The unit shall submit the name of its nominee to the chief appraiser within 45 days after notification from the board of

directors of the existence of the vacancy, and the chief appraiser shall prepare and deliver to the board of directors within the next five days a list of the nominees. The board of directors shall appoint ~~elect~~ by majority vote of its members one of the nominees to fill the vacancy. If a vacancy occurs in an elected position on the board of directors, the board of directors shall appoint by majority vote of its members a person to fill the vacancy. A person appointed to fill a vacancy in an elected position must have the qualifications required of a director elected at a general election.

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

(1) the individual is a resident of the school district; and

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

SECTION 1__ .02. Sections 6.031, 6.033, and 6.037, Tax Code, are amended to read as follows:

Sec. 6.031. CHANGES IN BOARD MEMBERSHIP [~~OR SELECTION~~].

(a) The board of directors of an appraisal district, by resolution adopted and delivered to each taxing unit participating in the district before August 15, may increase the number of members on the board of directors of the district to not more than 13, change the method or procedure for appointing the members appointed 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 appointment of board members adopts a resolution opposing the change in the method or procedure for appointing those members, and

files it with the board of directors before September 1. If a change in the method or procedure for appointing those members is rejected, the board shall notify, in writing, each taxing unit participating in the district before September 15.

(b) The taxing units participating in an appraisal district may increase the number of members on the board of directors of the district to not more than 13, change the method or procedure for appointing the members appointed by the taxing units participating in the district, or both, if the governing bodies of three-fourths of the taxing units that are entitled to vote on the appointment of board members adopt resolutions providing for the change. However, a change under this subsection in the method or procedure for selecting members appointed by the taxing units participating in the district is not valid if it reduces the voting entitlement of one or more taxing units that do not adopt a resolution proposing it to less than a majority of the voting entitlement under Section 6.03 [~~of this code~~] or if it reduces the voting entitlement of any taxing unit that does not adopt a resolution proposing it to less than 50 percent of its voting entitlement under Section 6.03 [~~of this code~~] and if that taxing unit's allocation of the budget is not reduced to the same proportional percentage amount, or if it expands the types of taxing units that are entitled to vote on appointment of board members.

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

(d) Before 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 October 10. A change in the method or procedure for selecting members appointed by the taxing units participating in the district that is adopted takes effect on the date the chief appraiser notifies the taxing units of the change. An increase in the number of members of the board takes

effect on January 1 of the first year after the date the chief appraiser notifies the taxing units of the increase.

(e) If the number of members of the board is increased under this section, at least one-half of the total number of members, as increased, shall be elected at the general election for state and county officers. The board of directors by majority vote of its members may increase the number of members to be elected to more than the minimum number required by this subsection.

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

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

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

(1) a conservation and reclamation district has filed a request to the chief appraiser to nominate and vote on directors in the current year as provided by Section 6.03(c); or

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

Sec. 6.033. RECALL OF DIRECTOR APPOINTED BY TAXING UNITS PARTICIPATING IN APPRAISAL DISTRICT. (a) The governing body of a taxing unit may call for the recall of a member of the board of directors of an appraisal district appointed by the taxing units participating in the district under Section 6.03 [~~of this code~~] for whom the unit cast any of its votes in the appointment of the board. The call must be in the form of a resolution, be filed with the chief appraiser of the appraisal district, and state that the unit is

calling for the recall of the member. If a resolution calling for the recall of a board member is filed under this subsection, the chief appraiser, not later than the 10th day after the date of filing, shall deliver a written notice of the filing of the resolution and the date of its filing to the presiding officer of the governing body of each taxing unit entitled to vote in the appointment of board members.

(b) On or before the 30th day after the date on which a resolution calling for the recall of a member of the board appointed by the taxing units participating in the district 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.

(c) Not later than the 10th day after the last day provided by this section for voting in favor of the recall, the chief appraiser shall count the votes cast in favor of the recall. If the 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, the member appointed by the taxing units participating in the district is recalled and ceases to be a member of the board. The chief appraiser shall immediately notify in writing the presiding officer of the appraisal district board of directors and of the governing body of each taxing unit that voted in the recall election of the outcome of the recall election. If the presiding officer of the appraisal district board of directors is the member whose recall was voted on, the chief appraiser shall also notify the secretary of the appraisal district board of directors of the outcome of the recall election.

(d) If a vacancy occurs on the board of directors after the recall of a member of the board appointed by the taxing units participating in the district 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 the governing body of the unit shall submit the name of the unit's nominee to the chief appraiser on or before the 30th day after the date it receives notification from the chief appraiser of the result of the recall election. On or before the 15th day after the last day provided for a nomination to be submitted, the chief appraiser shall prepare a ballot, listing the candidates nominated alphabetically according to each candidate's surname, and shall 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 before the 15th day after the date on which a taxing unit's ballot is delivered, the governing body of the taxing unit shall determine its vote by resolution and submit it to the chief appraiser. On or before the 15th day after the last day on which a taxing unit may vote, the chief appraiser shall count the votes, declare the candidate who received the largest vote total appointed, and submit the results to the presiding officer of the governing body of the appraisal district and of each taxing unit in the district and to the candidates. The chief appraiser shall resolve a tie vote by any method of chance.

(e) If the members appointed by the taxing units participating in the district to the board of directors of an appraisal district are ~~[is]~~ appointed by a method or procedure adopted under Section 6.031 ~~[of this code]~~, the governing bodies of the taxing units that voted for or otherwise participated in the appointment of a member of the board may recall that member and 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 DISTRICTS IN APPRAISAL DISTRICT MATTERS. In this title, a reference to the taxing units entitled to vote on the appointment of appraisal district board members includes the conservation and reclamation districts participating in the appraisal district, without regard to whether the conservation and reclamation districts are currently entitled to do so under Section 6.03(c). In 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 entitled to vote on the appointment of appraisal district directors, including the disapproval of the appraisal district budget under Section 6.06 [~~and the disapproval of appraisal district board actions under Section 6.10~~], the conservation and reclamation districts participating in the appraisal district are given the vote or authority of one taxing unit. That vote or authority is considered exercised only if a majority of the conservation and reclamation districts take the same action to exercise that vote or authority. Otherwise, the conservation and reclamation districts are treated in the same manner as a single taxing unit that is entitled to act but does not take any action on the matter.

SECTION 1__.03. Section 42.005(a), Election Code, is amended to read as follows:

(a) A county election precinct, including a consolidated precinct, may not contain territory from more than one of each of the following types of territorial units:

- (1) a commissioners precinct;
- (2) a justice precinct;
- (3) a congressional district;
- (4) a state representative district;
- (5) a state senatorial district;
- (6) a ward in a city with a population of 10,000 or more; [~~or~~]
- (7) a State Board of Education district; or
- (8) an appraisal district established under Chapter 6, Tax Code.

SECTION 1__.04. Section 52.092(d), Election Code, is

amended to read as follows:

(d) District offices of the state government shall be listed in the following order:

- (1) member, State Board of Education;
- (2) state senator;
- (3) state representative;
- (4) chief justice, court of appeals;
- (5) justice, court of appeals;
- (6) district judge;
- (7) criminal district judge;
- (8) family district judge;
- (9) district attorney;
- (10) criminal district attorney;
- (11) appraisal district director.

SECTION 1__.05. Section 172.024, Election Code, is amended by adding Subsection (c) to read as follows:

(c) For the office of appraisal district director, the filing fee for a candidate for nomination in the general primary election is \$200.

SECTION 1__.06. Sections 6.034 and 6.10, Tax Code, are repealed.

SECTION 1__.07. (a) Appraisal district directors shall be elected as provided by Section 6.03, Tax Code, as amended by this Act, beginning with the primary and general elections conducted in 2006. Members then elected take office January 1, 2007.

(b) The change in the manner of selection of appraisal district directors made by this Act does not affect the selection of directors who serve on the board before January 1, 2007.

(c) The term of an appraisal district director serving on December 31, 2006, expires on January 1, 2007.

SECTION 1__.08. (a) Except as provided by Subsection (b) of this section, this Part takes effect January 1, 2007.

(b) This section and Sections 1__.03, 1__.04, 1__.05, and 1__.07 of this Part take effect September 1, 2005.