BILL ANALYSIS

C.S.H.B. 2188
By: Paxton
Local Government Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Many privately-owned and operated multiple listing services (MLS) provide information to appraisal districts regarding the sale of real property. This is done not as a requirement, but on a voluntary basis. The relationship benefits both parties: (1) appraisal districts are aided in their valuation of real property and (2) multiple listing services benefit from more complete property tax records, including square footage, and other property information retained by appraisal districts.

Recently, the Attorney General issued an opinion indicating information provided by an MLS to an appraisal district through a confidentiality agreement is nonetheless subject to open records statutes. As a result, many multiple listing services have discontinued providing sales information to appraisal districts.

C.S.H.B. 2188 will exempt real property sales prices, descriptions, characteristics, and other related information provided by a private entity to an appraisal district from disclosure under open records laws thereby allowing relationships between MLSs and appraisal districts to continue.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1 amends Chapter 552, Government Code, by adding Section 552.148.

Sec. 552.148(a) creates an exception from disclosure under 552.021 information relating to real property sales prices, descriptions, characteristics, and other related information received from a private entity by the comptroller or the chief appraiser of an appraisal district.

Sec. 552.148(b) requires the chief appraiser of the applicable appraisal district to make available, upon request from a property owner, a copy of each item of information described by Section 41.461(a)(2), Tax Code before the 14th day preceding the date of a hearing on a property owner's protest brought under Section 41.41, Tax Code.

SECTION 2 makes the Act effective immediately if it receives a two-thirds vote.

EFFECTIVE DATE

September 1, 2007 unless it receives a two-thirds majority vote in both chambers.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The committee substitute changes the language in Sec. 552.148(b) to insure clarity that no direct obligation is placed on the chief appraiser.