

BILL ANALYSIS

C.S.H.B. 3583

By: Hill

Local Government Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Currently, the board of directors of an appraisal district is appointed by the taxing entities in the appraisal district. Though the duties of this board are limited, this appointment system has led citizens to feel the board members may be hiring the chief appraiser in order to increase the taxable value of property in order to bring in more tax revenue without raising the tax rate. Additionally, the public has no assurance that the board of directors aren't simply taking their direction from the taxing jurisdictions.

C.S.H.B. 3583 makes the assessor-collector of a county, who is currently a non-voting member of the appraisal district board of directors, a voting member of the board. Additionally, it adds two voting members appointed by the state district judge(s) with jurisdiction in the county. In the event that the assessor-collector is also the chief appraiser, the judges will appoint a member to serve in their place. It sets forth procedures for appointing members if more than one judge has jurisdiction in a county. It provides for education for board members.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Comptroller in SECTION 1 of this bill.

ANALYSIS

C.S.H.B. 3583 requires that a member of the board of directors of an appraisal district has to complete eight hours of education regarding his or her duties as a member as prescribed by the comptroller. The bill changes the assessor-collector of a county from a non-voting member of the appraisal district board of directors to a voting director. Additionally, it adds two members to the board of directors to be appointed by the district judges with jurisdiction in the county for which the appraisal district is established. The district judges will appoint three members if the county assessor-collector is also the chief appraiser for the appraisal district and is therefore ineligible to serve on the board. It provides that if more than one district judge has jurisdiction in the county for which the appraisal district is established, the judges appoint their members by having a special meeting and that if a majority of the judges cannot agree, the governor appoints another district judge to participate and vote with the other district judges in another special meeting. References in statute to "all members of the board" are amended to apply only to those members appointed by the taxing unit participating in the appraisal district. Current statutes referring to the appointment of directors to the board are changed to apply only to those directors appointed by taxing jurisdictions. It makes applicable statutory references to refer more correctly to "municipalities."

EFFECTIVE DATE

January 1, 2008

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.B. 3583 adds a provision that members of the appraisal district board of directors must complete eight hours of training regarding the responsibilities of the job as prescribed by rules of the comptroller before they may assume their position. It clarifies the method for the district judges to appoint members to the board if more than one judge has jurisdiction in the county. It also eliminates potential conflicts of interest for a person serving as assessor-collector for the

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county and chief appraiser by making them ineligible to serve on the board of directors and allows the district judges in such a county to appoint a third member of the board.