By: Hill H.B. No. 3583

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the appointment of the county assessor-collector to the

3 appraisal district board of directors and the appointment of

additional members to appraisal district boards of directors.

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

6 SECTION 1. Sections 6.03(a), (b), (c), (k), and (1), Tax

7 Code, are amended to read as follows:

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(a) The appraisal district is governed by a board of directors. Five directors are appointed by the taxing units that participate in the district as provided by this section. directors are appointed by the district judges with jurisdiction in the county for which the appraisal district is established. The [If the] county assessor-collector of the county for which the appraisal district is established 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 is not

- 1 ineligible because of membership on the governing body of a taxing
- 2 unit. An employee of a taxing unit that participates in the
- 3 district is not eligible to serve on the board unless the individual
- 4 is also a member of the governing body or an elected official of a
- 5 taxing unit that participates in the district.

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- 6 (b) Members of the board of directors other than a county
 7 assessor-collector [serving as a nonvoting director] serve
 8 two-year terms beginning on January 1 of even-numbered years.
 - (c) Members of the board of directors, other than a county assessor-collector and the members appointed by the district judges, [serving as a nonvoting director] are appointed by vote of the governing bodies of the municipalities [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 <u>four</u> [<u>five</u>] candidates who receive the largest cumulative vote totals 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.

(1) If a vacancy occurs on the board of directors in a position appointed by the taxing units under this section [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 elect by majority vote of its members one of the nominees to fill the vacancy. If a vacancy occurs in a position appointed by the district judges, the district judges entitled to participate in the appointment of a person to the position shall appoint a person to fill the vacancy.

SECTION 2. Sections 6.031(a), (b), and (e), Tax Code, are

amended to read as follows:

- (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.
- may increase the number of members on the board of directors of the district to not more than 13 or may[7] 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.
- 8 (e) A change in [membership or] selection of the board
 9 members appointed by the taxing units participating in the district
 10 made as provided by this section remains in effect until changed in
 11 a manner provided by this section or rescinded by resolution of a
 12 majority of the governing bodies that are entitled to vote on
 13 appointment of board members under Section 6.03 [of this code].
- SECTION 3. Section 6.033, Tax Code, is amended to read as follows:

Sec. 6.033. RECALL OF DIRECTOR <u>APPOINTED BY TAXING UNITS</u>

<u>PARTICIPATING IN APPRAISAL DISTRICT</u>. (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 <u>by the taxing units</u>

<u>participating in the district</u> 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

1 secretary of the appraisal district board of directors of the 2 outcome of the recall election.

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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

- 1 the candidates. The chief appraiser shall resolve a tie vote by any
- 2 method of chance.
- 3 (e) Ιf members appointed by the taxing units 4 participating in the district to the board of directors of an 5 appraisal district are [is] appointed by a method or procedure 6 adopted under Section 6.031 [of this code], the governing bodies of the taxing units that voted for or otherwise participated in the 7 8 appointment of a member of the board may recall that member and 9 appoint a new member to the vacancy by any method adopted by resolution of a majority of those governing bodies. 10 If the appointment was by election by the taxing units participating in 11 the district, the method of recall and of appointing a new member to 12 the vacancy is not valid unless it provides that each taxing unit is 13 entitled to the same number of votes in the recall and in the 14 15 appointment to fill the vacancy as it originally cast for the member being recalled. 16
- SECTION 4. Section 6.034, Tax Code, is amended to read as follows:
- Sec. 6.034. OPTIONAL STAGGERED TERMS FOR CERTAIN MEMBERS OF 19 THE BOARD OF DIRECTORS. (a) The taxing units participating in an 20 appraisal district may provide that the terms of the [appointed] 21 members of the board of directors appointed by the taxing units 22 participating in the district be staggered if the governing bodies 23 24 of at least three-fourths of the taxing units that are entitled to 25 vote on the appointment of board members adopt resolutions providing for the staggered terms. A change to staggered terms may 26 be adopted only if the method or procedure for appointing board 27

members appointed by the taxing units participating in the district is changed under Section 6.031 [of this code] to eliminate or have the effect of eliminating cumulative voting for board members as provided by Section 6.03 [of this code]. A change to staggered terms may be proposed concurrently with a change that eliminates or

has the effect of eliminating cumulative voting.

- (b) An official copy of a resolution providing for staggered terms adopted by the governing body of a taxing unit 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 to be appointed by the taxing units participating in the district, or the resolution is ineffective.
- (c) Before October 5 of each year in which board members are to be appointed by the taxing units participating in the district, the chief appraiser shall determine whether a sufficient number of taxing units have filed valid resolutions proposing a change to staggered terms for the change to take effect. Before October 10 the chief appraiser shall notify each taxing unit participating in the district of a change that is adopted under this section.
- (d) A change to staggered terms made under this section becomes effective beginning on January 1 of the next even-numbered year after the chief appraiser determines that the change has been adopted. The members of the [entire] board of directors appointed by the taxing units participating in the district shall be appointed for that year without regard to the staggered terms. At the earliest practical date after January 1 of that year, the board shall determine by lot which of its members appointed by the taxing

units participating in the district shall serve one-year terms and which shall serve two-year terms in order to implement the staggered terms. If the number [board consists of an even number] of board members appointed by the taxing units participating in the district is an even number, one-half of those [the] members must be designated to serve one-year terms and one-half shall be designated If the number [board consists of an odd to serve two-year terms. appointed by the taxing units numberl of board members participating in the district is an odd number, the number of those members designated to serve two-year terms must exceed by one the number of members designated to serve one-year terms.

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- (e) After the staggered terms have been implemented as provided by Subsection (d) [of this section], the appraisal district shall appoint annually for terms to begin on January 1 of each year a number of board members appointed by the taxing units participating in the district equal to the number of board members whose terms expire on that January 1, unless a change in the total number of board members appointed by the taxing units participating in the district is adopted under Section 6.031 [of this code] to take effect on that January 1.
- (f) If a change in the number of directors <u>appointed by the taxing units participating in the district</u> is adopted under Section 6.031 [of this code] in an appraisal district that has adopted staggered terms for board members <u>appointed by the taxing units participating in the district</u>, the change must specify how many members' terms are to begin in even-numbered years and how many members' terms are to begin in odd-numbered years. The change may

not provide that the number of members whose terms are to begin in even-numbered years differs by more than one from the number of members whose terms are to begin in odd-numbered years.

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- (g) A change to staggered terms made as provided by this section may be 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]. To be effective, a resolution providing for the rescission must be adopted by the governing body and filed with the chief appraiser after June 30 and before October 1 of an odd-numbered year. If the required number of resolutions are filed during that period, the chief appraiser shall notify each taxing unit participating in the district that the rescission is adopted. If the rescission is adopted, the terms of board <u>appointed</u> by the taxing units all members of the participating in the district serving at the time of the adoption expire on January 1 of the even-numbered year following the adoption, including terms of members who will have served only one year of a two-year term on that date. All of the members of the [The directors appointed by the taxing units board of participating in the district shall be appointed for two-year terms beginning on that date.
- (h) If an appraisal district that has adopted staggered terms for the members of the board of directors appointed by the taxing units participating in the district adopts or rescinds a change in the method or procedure for appointing board members appointed by the taxing units participating in the district and the change or rescission results in a method of appointing board

- 1 members by cumulative voting, the change or rescission has the same
- 2 effect as a rescission of the change to staggered terms made under
- 3 Subsection (q) [of this section].
- 4 (i) If a vacancy <u>in a position appointed by the taxing units</u>
- 5 participating in the district occurs on the board of directors of an
- 6 appraisal district that has adopted staggered terms for board
- 7 members appointed by the taxing units participating in the
- 8 district, the vacancy shall be filled by appointment by resolution
- 9 of the governing body of the taxing unit that nominated the person
- 10 whose departure from the board caused the vacancy, and the
- 11 procedure for filling a vacancy provided by Section 6.03 [of this
- 12 code does not apply in that event.
- 13 SECTION 5. (a) The initial terms of the members of an
- 14 appraisal district board of directors appointed by the district
- judges as provided by Section 6.03(a), Tax Code, as amended by this
- 16 Act, begin January 1, 2008.
- 17 (b) The county assessor-collector of the county for which
- 18 the appraisal district is established begins serving as a voting
- 19 member of the appraisal district board of directors as provided by
- 20 Section 6.03(a), Tax Code, as amended by this Act, on January 1,
- 21 2008.
- 22 SECTION 6. This Act takes effect January 1, 2008.