

BILL ANALYSIS

C.S.H.B. 1660
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Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Members of the board of directors of a county's property tax appraisal district currently are appointed by the taxing units that participate in the appraisal district. This situation presents a conflict of interest because an appraisal district's board must be impartial, but it is in a taxing unit's best interest to appoint members favorable to generating more revenue for the taxing unit.

C.S.H.B. 1660 requires that all five directors of the board of directors governing a county's property tax appraisal district be appointed by the local administrative district judge in the county in which the appraisal district is established.

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

C.S.H.B. 1660 amends the Tax Code to require that all five directors of the board of directors governing a county's property tax appraisal district be appointed by the local administrative district judge in the county in which the appraisal district is established, rather than by the taxing units that participate in the district. The bill provides that the directors are appointed by that judge to serve terms that begin on January 1, 2011. The bill repeals provisions relating to the processes by which the taxing units in an appraisal district vote on the appointment of directors, make changes in board membership or selection, recall a member of the board, provide for optional staggered terms for board members, vote on the appointment of appraisal district board members, including the participating conservation and reclamation districts, and disapprove a board action.

C.S.H.B. 1660 removes the conditions under which an employee of a taxing unit that participates in the district is eligible to serve on the board so that such an employee is not eligible to serve. The bill provides that members of the board of directors, other than a county assessor-collector serving as a nonvoting director, serve two-year terms beginning on January 1 of odd-numbered years, rather than of even-numbered years. The bill requires a local administrative judge to appoint a person to fill a vacancy on the board of directors, other than a vacancy in the position held by a county assessor-collector serving as a nonvoting member. The bill removes language that sets forth the procedure for filling a vacancy on the board performed by taxing units entitled to vote on board directors.

C.S.H.B. 1660 repeals the following sections of the Tax Code:

- Sections 6.03(c), (d), (e), (f), (g), (h), (i), (j), and (k)
- Section 6.031
- Section 6.033

- Section 6.034
- Section 6.037
- Section 6.10

EFFECTIVE DATE

January 1, 2010.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 1660 differs from the original by requiring that all five of an appraisal district's directors be appointed by a local administrative district judge, whereas the original requires that four directors be appointed by the judge and one director be elected at the general election for state and county officers by the voters of the county in which the district is established. The substitute makes conforming changes relating to this difference, including removing a provision from the original amending the Election Code to require the secretary of state to prescribe procedures for listing the office of appraisal district director on the ballot. The substitute removes language in the original relating to an individual's eligibility to serve on the board as a member appointed by a local administrative district judge. The substitute, in the provision requiring the local administrative district judge to appoint a person to fill a vacancy on the board, differs from the original by restoring current statutory language struck in the original that applies the provision to a board vacancy other than a vacancy in the position held by a county assessor-collector serving as a nonvoting member.