

By: King of Parker

H.B. No. 1660

Substitute the following for H.B. No. 1660:

By: Oliveira

C.S.H.B. No. 1660

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the composition of the board of directors of an
3 appraisal district.

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

5 SECTION 1. Section 5.12(b), Tax Code, is amended to read as
6 follows:

7 (b) At the written request of the governing bodies of a
8 majority of the taxing units participating in an appraisal district
9 [~~or of a majority of the taxing units entitled to vote on the~~
10 ~~appointment of appraisal district directors~~], the comptroller
11 shall audit the performance of the appraisal district. The
12 governing bodies may request a general audit of the performance of
13 the appraisal district or may request an audit of only one or more
14 particular duties, practices, functions, departments, or other
15 appraisal district matters.

16 SECTION 2. Section 5.13(h), Tax Code, is amended to read as
17 follows:

18 (h) At any time after the request for an audit is made, the
19 comptroller may discontinue the audit in whole or in part if
20 requested to do so by:

21 (1) the governing bodies of a majority of the taxing
22 units participating in the district, if the audit was requested by a
23 majority of those units; or

24 (2) [~~the governing bodies of a majority of the taxing~~

1 ~~units entitled to vote on the appointment of appraisal district~~
2 ~~directors, if the audit was requested by a majority of those units,~~
3 ~~or~~

4 [~~3~~] if the audit was requested under Section 5.12(c)
5 [~~of this code~~], by the taxpayers who requested the audit.

6 SECTION 3. Section 6.03, Tax Code, is amended by amending
7 Subsections (a), (b), and (l) and adding Subsection (a-1) to read as
8 follows:

9 (a) The appraisal district is governed by a board of
10 directors. Five directors are appointed by the local
11 administrative district judge in the county in which the appraisal
12 district is established [~~taxing units that participate in the~~
13 ~~district as provided by this section~~]. If the county
14 assessor-collector is not appointed to the board of directors, the
15 county assessor-collector serves as a nonvoting director. The
16 county assessor-collector is ineligible to serve if the board
17 enters into a contract under Section 6.05(b) or if the
18 commissioners court of the county enters into a contract under
19 Section 6.24(b).

20 (a-1) To be eligible to serve on the board of directors, an
21 individual, other than a county assessor-collector serving as a
22 nonvoting director, must be a resident of the appraisal district
23 and must have resided in the district for at least two years
24 immediately preceding the date the individual takes office. An
25 individual who is otherwise eligible to serve on the board is not
26 ineligible because of membership on the governing body of a taxing
27 unit. An employee of a taxing unit that participates in the

1 district is not eligible to serve on the board [~~unless the~~
2 ~~individual is also a member of the governing body or an elected~~
3 ~~official of a taxing unit that participates in the district~~].

4 (b) Members of the board of directors, l other than a county
5 assessor-collector serving as a nonvoting director, l serve two-year
6 terms beginning on January 1 of odd-numbered [~~even-numbered~~] years.

7 (1) If a vacancy occurs on the board of directors, l other
8 than a vacancy in the position held by a county assessor-collector
9 serving as a nonvoting director, the local administrative district
10 judge shall appoint a person to fill the vacancy [~~each taxing unit~~
11 ~~that is entitled to vote by this section may nominate by resolution~~
12 ~~adopted by its governing body a candidate to fill the vacancy. The~~
13 ~~unit shall submit the name of its nominee to the chief appraiser~~
14 ~~within 45 days after notification from the board of directors of the~~
15 ~~existence of the vacancy, and the chief appraiser shall prepare and~~
16 ~~deliver to the board of directors within the next five days a list~~
17 ~~of the nominees. The board of directors shall elect by majority~~
18 ~~vote of its members one of the nominees to fill the vacancy~~].

19 SECTION 4. Section 6.051(b), Tax Code, is amended to read as
20 follows:

21 (b) The acquisition or conveyance of real property or the
22 construction or renovation of a building or other improvement by an
23 appraisal district must be approved by the governing bodies of
24 three-fourths of the taxing units that participate in the district
25 [~~entitled to vote on the appointment of board members~~]. The board
26 of directors by resolution may propose a property transaction or
27 other action for which this subsection requires approval of the

1 taxing units. The chief appraiser shall notify the presiding
2 officer of each governing body entitled to vote on the approval of
3 the proposal by delivering a copy of the board's resolution,
4 together with information showing the costs of other available
5 alternatives to the proposal. On or before the 30th day after the
6 date the presiding officer receives notice of the proposal, the
7 governing body of a taxing unit by resolution may approve or
8 disapprove the proposal. If a governing body fails to act on or
9 before that 30th day or fails to file its resolution with the chief
10 appraiser on or before the 10th day after that 30th day, the
11 proposal is treated as if it were disapproved by the governing body.

12 SECTION 5. Sections 6.06(a), (b), and (i), Tax Code, are
13 amended to read as follows:

14 (a) Each year the chief appraiser shall prepare a proposed
15 budget for the operations of the district for the following tax year
16 and shall submit copies to each taxing unit participating in the
17 district and to the district board of directors before June 15. The
18 chief appraiser [~~He~~] shall include in the budget a list showing each
19 proposed position, the proposed salary for the position, all
20 benefits proposed for the position, each proposed capital
21 expenditure, and an estimate of the amount of the budget that will
22 be allocated to each taxing unit. Each taxing unit participating in
23 the district [~~entitled to vote on the appointment of board members~~]
24 shall maintain a copy of the proposed budget for public inspection
25 at its principal administrative office.

26 (b) The board of directors shall hold a public hearing to
27 consider the budget. The secretary of the board shall deliver to

1 the presiding officer of the governing body of each taxing unit
2 participating in the district not later than the 10th day before the
3 date of the hearing a written notice of the date, time, and place
4 fixed for the hearing. The board shall complete its hearings, make
5 any amendments to the proposed budget it desires, and finally
6 approve a budget before September 15. If governing bodies of a
7 majority of the taxing units participating in the district
8 ~~[entitled to vote on the appointment of board members]~~ adopt
9 resolutions disapproving a budget and file them with the secretary
10 of the board within 30 days after its adoption, the budget does not
11 take effect, and the board shall adopt a new budget within 30 days
12 of the disapproval.

13 (i) The fiscal year of an appraisal district is the calendar
14 year unless the governing bodies of three-fourths of the taxing
15 units participating in the district ~~[entitled to vote on the~~
16 ~~appointment of board members]~~ adopt resolutions proposing a
17 different fiscal year and file them with the secretary of the board
18 not more than 12 and not less than eight months before the first day
19 of the fiscal year proposed by the resolutions. If the fiscal year
20 of an appraisal district is changed under this subsection, the
21 chief appraiser shall prepare a proposed budget for the fiscal year
22 as provided by Subsection (a) ~~[of this section]~~ before the 15th day
23 of the seventh month preceding the first day of the fiscal year
24 established by the change, and the board of directors shall adopt a
25 budget for the fiscal year as provided by Subsection (b) ~~[of this~~
26 ~~section]~~ before the 15th day of the fourth month preceding the first
27 day of the fiscal year established by the change. Unless the

1 appraisal district adopts a different method of allocation under
2 Section 6.061 [~~of this code~~], the allocation of the budget to each
3 taxing unit shall be calculated as provided by Subsection (d) [~~of~~
4 ~~this section~~] using the amount of property taxes imposed by each
5 participating taxing unit in the most recent tax year preceding the
6 fiscal year established by the change for which the necessary
7 information is available. Each taxing unit shall pay its
8 allocation as provided by Subsection (e) [~~of this section~~], except
9 that the first payment shall be made before the first day of the
10 fiscal year established by the change and subsequent payments shall
11 be made quarterly. In the year in which a change in the fiscal year
12 occurs, the budget that takes effect on January 1 of that year may
13 be amended as necessary as provided by Subsection (c) [~~of this~~
14 ~~section~~] in order to accomplish the change in fiscal years.

15 SECTION 6. Sections 6.061(b) and (e), Tax Code, are amended
16 to read as follows:

17 (b) The taxing units participating in an appraisal district
18 may adopt a different method of allocating the costs of operating
19 the district if the governing bodies of three-fourths of the taxing
20 units participating in the district [~~that are entitled to vote on~~
21 ~~the appointment of board members~~] adopt resolutions providing for
22 the other method. However, a change under this subsection is not
23 valid if it requires any taxing unit to pay a greater proportion of
24 the appraisal district's costs than the unit would pay under
25 Section 6.06 [~~of this code~~] without the consent of the governing
26 body of that unit.

27 (e) A change in allocation of district costs made as

1 provided by this section remains in effect until changed in a manner
2 provided by this section or rescinded by resolution of a majority of
3 the governing bodies of the taxing units participating in the
4 district [~~that are entitled to vote on appointment of board members~~
5 ~~under Section 6.03 of this code~~].

6 SECTION 7. Section 6.063(b), Tax Code, is amended to read as
7 follows:

8 (b) The report of the audit is a public record. A copy of
9 the report shall be delivered to the presiding officer of the
10 governing body of each taxing unit participating in the district
11 [~~eligible to vote on the appointment of district directors~~], and a
12 reasonable number of copies shall be available for inspection at
13 the appraisal office.

14 SECTION 8. The following provisions of the Tax Code are
15 repealed:

- 16 (1) Sections 6.03(c), (d), (e), (f), (g), (h), (i),
17 (j), and (k);
- 18 (2) Section 6.031;
- 19 (3) Section 6.033;
- 20 (4) Section 6.034;
- 21 (5) Section 6.037; and
- 22 (6) Section 6.10.

23 SECTION 9. Five directors shall be appointed in each
24 appraisal district by the local administrative district judge in
25 the county in which the appraisal district is established as
26 provided by Section 6.03, Tax Code, as amended by this Act, to serve
27 terms that begin January 1, 2011.

1 SECTION 10. (a) The change in law made by this Act does not
2 affect the selection of appraisal district directors serving before
3 January 1, 2011.

4 (b) The term of an appraisal district director serving on
5 December 31, 2010, expires on January 1, 2011.

6 SECTION 11. This Act takes effect January 1, 2010.