

By: King of Parker

H.B. No. 1660

A BILL TO BE ENTITLED

AN ACT

1
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 (1) and adding Subsections (a-1), (a-2),
8 and (m) to read as follows:

9 (a) The appraisal district is governed by a board of
10 directors. Four ~~[Five]~~ directors are appointed by the local
11 administrative district judge in the county in which the appraisal
12 district is established, and one director is elected at the general
13 election for state and county officers by the voters of the county
14 in which the appraisal district is established ~~[taxing units that~~
15 ~~participate in the district as provided by this section]~~.

16 (a-1) If the county assessor-collector is not appointed to
17 the board of directors, the county assessor-collector serves as a
18 nonvoting director. The county assessor-collector is ineligible to
19 serve if the board enters into a contract under Section 6.05(b) or
20 if the commissioners court of the county enters into a contract
21 under Section 6.24(b).

22 (a-2) To be eligible to serve on the board of directors, an
23 individual, other than a county assessor-collector serving as a
24 nonvoting director, must be a resident of the appraisal district
25 and must have resided in the district for at least two years
26 immediately preceding the date the individual takes office. To be
27 eligible to be elected to the board, an individual must be a

1 resident of the county in which the district is established. An
2 individual who is otherwise eligible to serve on the board as a
3 member appointed by the local administrative district judge in the
4 county in which the appraisal district is established is not
5 ineligible because of membership on the governing body of a taxing
6 unit. An employee of a taxing unit that participates in the
7 district is not eligible to serve on the board [~~unless the~~
8 ~~individual is also a member of the governing body or an elected~~
9 ~~official of a taxing unit that participates in the district~~].

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

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

27 (m) If a vacancy occurs in an elective position on the board

1 of directors, the board of directors shall appoint by majority vote
2 of its members a person to fill the vacancy. A person appointed to
3 fill a vacancy in an elective position must have the qualifications
4 required of a director elected at a general election.

5 SECTION 4. Subchapter A, Chapter 6, Tax Code, is amended by
6 adding Section 6.032 to read as follows:

7 Sec. 6.032. BALLOT PROCEDURES FOR ELECTED DIRECTORS; FILING
8 FEE. (a) Except as provided by this section, Chapter 144, Election
9 Code, applies to a candidate for an elective position on an
10 appraisal district board of directors.

11 (b) An application for a place on the ballot must be filed
12 with the county judge of the county in which the appraisal district
13 is established and be accompanied by a filing fee of:

14 (1) \$750 for a county with a population of less than
15 200,000; or

16 (2) \$1,250 for a county with a population of 200,000 or
17 more.

18 (c) A candidate's name may appear on the ballot only as an
19 independent candidate.

20 (d) A filing fee received under this section shall be
21 deposited in the county treasury to the credit of the county general
22 fund.

23 SECTION 5. Section 6.036(a), Tax Code, is amended to read as
24 follows:

25 (a) An individual is not eligible to be a candidate for, to
26 be appointed to, or to serve on the board of directors of an
27 appraisal district if the individual or a business entity in which

1 the individual has a substantial interest is a party to a contract
2 with:

- 3 (1) the appraisal district; or
4 (2) a taxing unit that participates in the appraisal
5 district, if the contract relates to the performance of an activity
6 governed by this title.

7 SECTION 6. Section 6.051(b), Tax Code, is amended to read as
8 follows:

9 (b) The acquisition or conveyance of real property or the
10 construction or renovation of a building or other improvement by an
11 appraisal district must be approved by the governing bodies of
12 three-fourths of the taxing units that participate in the district
13 [~~entitled to vote on the appointment of board members~~]. The board
14 of directors by resolution may propose a property transaction or
15 other action for which this subsection requires approval of the
16 taxing units. The chief appraiser shall notify the presiding
17 officer of each governing body entitled to vote on the approval of
18 the proposal by delivering a copy of the board's resolution,
19 together with information showing the costs of other available
20 alternatives to the proposal. On or before the 30th day after the
21 date the presiding officer receives notice of the proposal, the
22 governing body of a taxing unit by resolution may approve or
23 disapprove the proposal. If a governing body fails to act on or
24 before that 30th day or fails to file its resolution with the chief
25 appraiser on or before the 10th day after that 30th day, the
26 proposal is treated as if it were disapproved by the governing body.

27 SECTION 7. Sections 6.06(a), (b), and (i), Tax Code, are

1 amended to read as follows:

2 (a) Each year the chief appraiser shall prepare a proposed
3 budget for the operations of the district for the following tax year
4 and shall submit copies to each taxing unit participating in the
5 district and to the district board of directors before June 15. The
6 chief appraiser [~~He~~] shall include in the budget a list showing each
7 proposed position, the proposed salary for the position, all
8 benefits proposed for the position, each proposed capital
9 expenditure, and an estimate of the amount of the budget that will
10 be allocated to each taxing unit. Each taxing unit participating in
11 the district [~~entitled to vote on the appointment of board members~~]
12 shall maintain a copy of the proposed budget for public inspection
13 at its principal administrative office.

14 (b) The board of directors shall hold a public hearing to
15 consider the budget. The secretary of the board shall deliver to
16 the presiding officer of the governing body of each taxing unit
17 participating in the district not later than the 10th day before the
18 date of the hearing a written notice of the date, time, and place
19 fixed for the hearing. The board shall complete its hearings, make
20 any amendments to the proposed budget it desires, and finally
21 approve a budget before September 15. If governing bodies of a
22 majority of the taxing units participating in the district
23 [~~entitled to vote on the appointment of board members~~] adopt
24 resolutions disapproving a budget and file them with the secretary
25 of the board within 30 days after its adoption, the budget does not
26 take effect, and the board shall adopt a new budget within 30 days
27 of the disapproval.

1 (i) The fiscal year of an appraisal district is the calendar
2 year unless the governing bodies of three-fourths of the taxing
3 units participating in the district [~~entitled to vote on the~~
4 ~~appointment of board members~~] adopt resolutions proposing a
5 different fiscal year and file them with the secretary of the board
6 not more than 12 and not less than eight months before the first day
7 of the fiscal year proposed by the resolutions. If the fiscal year
8 of an appraisal district is changed under this subsection, the
9 chief appraiser shall prepare a proposed budget for the fiscal year
10 as provided by Subsection (a) [~~of this section~~] before the 15th day
11 of the seventh month preceding the first day of the fiscal year
12 established by the change, and the board of directors shall adopt a
13 budget for the fiscal year as provided by Subsection (b) [~~of this~~
14 ~~section~~] before the 15th day of the fourth month preceding the first
15 day of the fiscal year established by the change. Unless the
16 appraisal district adopts a different method of allocation under
17 Section 6.061 [~~of this code~~], the allocation of the budget to each
18 taxing unit shall be calculated as provided by Subsection (d) [~~of~~
19 ~~this section~~] using the amount of property taxes imposed by each
20 participating taxing unit in the most recent tax year preceding the
21 fiscal year established by the change for which the necessary
22 information is available. Each taxing unit shall pay its
23 allocation as provided by Subsection (e) [~~of this section~~], except
24 that the first payment shall be made before the first day of the
25 fiscal year established by the change and subsequent payments shall
26 be made quarterly. In the year in which a change in the fiscal year
27 occurs, the budget that takes effect on January 1 of that year may

1 be amended as necessary as provided by Subsection (c) [~~of this~~
2 ~~section~~] in order to accomplish the change in fiscal years.

3 SECTION 8. Sections 6.061(b) and (e), Tax Code, are amended
4 to read as follows:

5 (b) The taxing units participating in an appraisal district
6 may adopt a different method of allocating the costs of operating
7 the district if the governing bodies of three-fourths of the taxing
8 units participating in the district [~~that are entitled to vote on~~
9 ~~the appointment of board members~~] adopt resolutions providing for
10 the other method. However, a change under this subsection is not
11 valid if it requires any taxing unit to pay a greater proportion of
12 the appraisal district's costs than the unit would pay under
13 Section 6.06 [~~of this code~~] without the consent of the governing
14 body of that unit.

15 (e) A change in allocation of district costs made as
16 provided by this section remains in effect until changed in a manner
17 provided by this section or rescinded by resolution of a majority of
18 the governing bodies of the taxing units participating in the
19 district [~~that are entitled to vote on appointment of board members~~
20 ~~under Section 6.03 of this code~~].

21 SECTION 9. Section 6.063(b), Tax Code, is amended to read as
22 follows:

23 (b) The report of the audit is a public record. A copy of
24 the report shall be delivered to the presiding officer of the
25 governing body of each taxing unit participating in the district
26 [~~eligible to vote on the appointment of district directors~~], and a
27 reasonable number of copies shall be available for inspection at

1 the appraisal office.

2 SECTION 10. Section 52.092, Election Code, is amended by
3 adding Subsection (k) to read as follows:

4 (k) The secretary of state shall prescribe procedures for
5 listing the office of appraisal district director on the ballot.

6 SECTION 11. The following provisions of the Tax Code are
7 repealed:

8 (1) Sections 6.03(c), (d), (e), (f), (g), (h), (i),
9 (j), and (k);

10 (2) Section 6.031;

11 (3) Section 6.033;

12 (4) Section 6.034;

13 (5) Section 6.037; and

14 (6) Section 6.10.

15 SECTION 12. (a) Four directors shall be appointed in each
16 appraisal district by the local administrative district judge in
17 the county in which the appraisal district is established as
18 provided by Section 6.03, Tax Code, as amended by this Act, to serve
19 terms that begin January 1, 2011.

20 (b) One director shall be elected in each appraisal district
21 as provided by Section 6.03, Tax Code, as amended by this Act, and
22 Section 6.032, Tax Code, as added by this Act, beginning with the
23 general election for state and county officers conducted in 2010.
24 The members then elected take office January 1, 2011.

25 SECTION 13. (a) The change in law made by this Act does not
26 affect the selection of appraisal district directors serving before
27 January 1, 2011.

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

3 SECTION 14. This Act takes effect January 1, 2010.