

BILL ANALYSIS

H.B. 2387
By: Menendez
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, a chief appraiser in a county appraisal district is entitled to hire professional, clerical, and other support staff in order to carry out the duties of the appraisal office at the direction of the board of directors. This authority, though not specifically stated, might be presumed to include the selection, hiring, and retention of in-house counsel by the chief appraiser. This further assumes that the legal counsel reports directly to the chief appraiser which creates the possibility of a conflict of interest in matters that are determined by the board of directors, based on the chief appraiser's actions or inactions, on any matter which may require legal counsel to the board before acting.

In order to mitigate any conflict of interest issues and to ensure unbiased legal counsel for the board of directors, it is seen as desirable by many for the appraisal district in-house counsel to be responsible directly to the board of directors and not the chief appraiser. Precedents for this exist in state laws for various agencies whereby the in-house counsel is required to be provided for the agency director but is selected, retained, and replaced at the pleasure of the appointed board of directors. This often has the effect of allowing a working relationship for the department head and the in-house counsel while making them both serve independently of the other in terms of reporting authority.

H.B. 2387 seeks to address this issue by providing that an appraisal board of directors has sole authority to select and retain in-house general counsel, who shall be charged to work with, but not report to, the chief appraiser.

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

H.B. 2387 amends the Tax Code to authorize an appraisal district's board of directors to employ a general counsel to the district to serve at the will of the board. The bill requires the general counsel to provide counsel directly to the board and perform other duties and responsibilities as determined by the board and entitles the general counsel to compensation as provided by the budget adopted by the board. The bill limits the chief appraiser's hiring authority to personnel other than a general counsel.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2011.