A BILL TO BE ENTITLED 1 AN ACT 2 relating to the selection of the chief appraiser of an appraisal 3 district. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 5 SECTION 1. Section 1.15, Tax Code, is amended to read as follows: 6 Sec. 1.15. APPRAISERS FOR TAXING UNITS PROHIBITED. 7 А taxing unit may not employ any person for the purpose of appraising 8 9 property for taxation purposes [except to the extent necessary to perform a contract under Section 6.05(b) of this code]. 10 11 SECTION 2. Section 5.041(e-1), Tax Code, is amended to read 12 as follows: 13 (e-1) In addition to the course established under 14 Subsection (a), the comptroller shall approve curricula and provide materials for use in a continuing education course for members of an 15 16 appraisal review board. The curricula and materials must include information regarding: 17 18 (1) the cost, income, and market data comparison methods of appraising property; 19 20 (2) the appraisal of business personal property; 21 (3) the determination of capitalization rates for 22 property appraisal purposes; 23 (4) the duties of an appraisal review board; 24 the requirements regarding the independence of an (5)

By: Kleinschmidt

H.B. No. 1282 1 appraisal review board from the board of directors, [and] the chief appraiser, and [other] employees of the appraisal district; 2 3 (6) the prohibitions against ex parte communications applicable to appraisal review board members; 4 5 (7) the Uniform Standards of Professional Appraisal Practice; 6 7 (8) the duty of the appraisal district to substantiate 8 the district's determination of the value of property; 9 (9) the requirements regarding the equal and uniform 10 appraisal of property; (10) the right of a property owner to protest the 11 12 appraisal of the property as provided by Chapter 41; and a detailed explanation of each of the actions 13 (11)described by Sections 41.41(a), 41.411, 41.412, 41.413, 41.42, and 14 15 41.43 so that members are fully aware of each of the grounds on which a property appraisal can be appealed. 16 17 SECTION 3. Section 5.042, Tax Code, is amended by amending Subsections (a) and (b) and adding Subsection (b-1) to read as 18 19 follows: Except as otherwise provided by this section, a person 20 (a) may not serve as [a] chief appraiser for an appraisal district or be 21 a candidate for election to that office unless the person has 22 completed the course of training prescribed by Section 1151.164, 23 24 Occupations Code. (b) A person appointed to fill a vacancy in the office of 25 26 chief appraiser may serve [in a temporary, provisional, or interim capacity] as chief appraiser for a period of up to six months [one

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1 year] without completing the training required by this section.

2 (b-1) For the purposes of removal under Chapter 87, Local
3 Government Code, "incompetency" in the case of a chief appraiser
4 includes the failure of the chief appraiser to complete the course
5 of training required by this section.

6 SECTION 4. Sections 6.035(a), (b), and (d), Tax Code, are 7 amended to read as follows:

8 (a) An individual is ineligible to serve on an appraisal 9 district board of directors <u>or</u> [<del>and is disqualified from</del> 10 <del>employment</del>] as chief appraiser if the individual:

(1) is related within 11 the second degree by consanguinity or affinity, as determined under Chapter 573, 12 Government Code, to an individual who is engaged in the business of 13 14 appraising property for compensation for use in proceedings under 15 this title or of representing property owners for compensation in proceedings under this title in the appraisal district; or 16

17 (2) owns property on which delinquent taxes have been 18 owed to a taxing unit for more than 60 days after the date the 19 individual knew or should have known of the delinquency unless:

(A) the delinquent taxes and any penalties and
interest are being paid under an installment payment agreement
under Section 33.02; or

(B) a suit to collect the delinquent taxes is
deferred or abated under Section 33.06 or 33.065.

(b) A member of an appraisal district board of directors or
 a chief appraiser commits an offense if the board member <u>or chief</u>
 <u>appraiser</u> continues to hold office [<del>or the chief appraiser remains</del>]

employed] knowing that an individual related within the second 1 degree by consanguinity or affinity, as determined under Chapter 2 3 573, Government Code, to the board member or chief appraiser is engaged in the business of appraising property for compensation for 4 5 use in proceedings under this title or of representing property owners for compensation in proceedings under this title in the 6 appraisal district in which the member or chief appraiser serves 7 8 [or the chief appraiser is employed]. An offense under this subsection is a Class B misdemeanor. 9

(d) An appraisal performed by a chief appraiser in a private capacity or by an individual related within the second degree by consanguinity or affinity, as determined under Chapter 573, Government Code, to the chief appraiser may not be used as evidence in a protest or challenge under Chapter 41 or an appeal under Chapter 42 concerning property that is taxable in the appraisal district in which the chief appraiser <u>serves</u> [<u>is employed</u>].

17 SECTION 5. Sections 6.05(b) and (c), Tax Code, are amended 18 to read as follows:

(b) The board of directors of an appraisal district may contract with an appraisal office in another district [<del>or with a</del> <del>taxing unit in the district</del>] to perform the duties of the appraisal office for the district.

(c) The chief appraiser is the chief administrator of the appraisal office. The chief appraiser is <u>elected at the general</u> <u>election for state and county officers by the voters of the county</u> <u>in which the appraisal district is established. The chief</u> <u>appraiser serves a two-year term beginning on January 1 of each</u>

1 <u>odd-numbered year.</u> To be eligible to serve as chief appraiser, an
2 <u>individual must be a resident of the county and must have resided in</u>
3 <u>the county for at least one year preceding the date the individual</u>
4 <u>takes office</u> [appointed by and serves at the pleasure of the
5 appraisal district board of directors. If a taxing unit performs
6 the duties of the appraisal office pursuant to a contract, the
7 assessor for the unit is the chief appraiser].

8 SECTION 6. Sections 6.411(a), (b), and (c-1), Tax Code, are 9 amended to read as follows:

(a) A member of an appraisal review board commits an offense
if the member communicates with the chief appraiser or <u>an</u> [another]
employee of the appraisal district for which the appraisal review
board is established in violation of Section 41.66(f).

14 (b) A chief appraiser or an [another] employee of an appraisal district commits an offense if the chief appraiser or 15 [other] employee communicates with a member of the appraisal review 16 17 board established for the appraisal district in a circumstance in which the appraisal review board member is prohibited by Section 18 19 41.66(f) from communicating with the chief appraiser or [other] employee. 20

(c-1) This section does not apply to communications involving the chief appraiser or <u>an</u> [another] employee of an appraisal district and a member of the appraisal review board that are specifically limited to and involve administrative, clerical, or logistical matters related to the scheduling and operation of hearings, the processing of documents, the issuance of orders, notices, and subpoenas, and the operation of the appraisal review

1 board.

2 SECTION 7. Section 22.28(c), Tax Code, is amended to read as 3 follows:

4 (c) To help defray the costs of administering this chapter,
5 a collector who collects a penalty imposed under Subsection (a)
6 shall remit to the appraisal district <u>of</u> [that employs] the chief
7 appraiser who imposed the penalty an amount equal to five percent of
8 the penalty amount collected.

9 SECTION 8. Section 42.21(d), Tax Code, is amended to read as 10 follows:

An appraisal district is served by service on the chief 11 (d) 12 appraiser at any time or by service on any other officer or an employee of the appraisal district present at the appraisal office 13 14 at a time when the appraisal office is open for business with the 15 public. An appraisal review board is served by service on the chairman of the appraisal review board. Citation of a party is 16 17 issued and served in the manner provided by law for civil suits 18 generally.

SECTION 9. Section 52.092(e), Election Code, is amended to read as follows:

(e) County offices shall be listed in the following order:

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- county judge;
- (2) judge, county court at law;
- 24 (3) judge, county criminal court;
- 25 (4) judge, county probate court;
- 26 (5) county attorney;
- 27 (6) district clerk;

(7) district and county clerk; 1 (8) county clerk; 2 (9) sheriff; 3 4 (10) sheriff and tax assessor-collector; 5 (11) county tax assessor-collector; 6 (12) county treasurer; 7 county school trustee (county with population of (13) 8 3.3 million or more); (14)9 county surveyor; 10 (15) chief appraiser. 11 SECTION 10. Section 87.041(a), Local Government Code, is amended to read as follows: 12 (a) The commissioners court of a county may fill a vacancy 13 in the office of: 14 15 (1) county judge; 16 (2) county clerk; 17 (3) district and county clerk; (4) sheriff; 18 (5) county attorney; 19 20 (6) county treasurer; 21 (7) county surveyor; 22 (8) county tax assessor-collector; justice of the peace; [<del>or</del>] 23 (9) 24 (10) constable; or 25 (11) chief appraiser. SECTION 11. Section 1151.164, Occupations Code, is amended 26 to read as follows: 27

H.B. No. 1282 Sec. 1151.164. CHIEF APPRAISER TRAINING PROGRAM. (a) The 1 department shall implement a training program for [newly appointed] 2 3 chief appraisers and shall prescribe the curriculum for the training program as provided by this section. 4 5 The training program must provide [the appointee with] (b) 6 information regarding: 7 (1)this chapter; 8 (2)the programs operated by the department; the role and functions of the department; 9 (3) 10 (4) the rules of the commission, with an emphasis on the rules that relate to ethical behavior; 11 the role and functions of the chief appraiser, the 12 (5) appraisal district board of directors, and the appraisal review 13 14 board; 15 (6) the importance of maintaining the independence of an appraisal office from political pressure; 16 17 (7) the importance of prompt and courteous treatment of the public; 18 the finance and budgeting requirements for an 19 (8) appraisal district, including appropriate controls to ensure that 20 expenditures are proper; and 21 22 (9) the requirements of: 23 (A) meetings law, the open Chapter 551, 24 Government Code; 25 (B) the public information law, Chapter 552, 26 Government Code: (C) 27 the administrative procedure law, Chapter

1 2001, Government Code;

2 (D) other laws relating to public officials,
3 including conflict-of-interest laws; and

4 (E) the standards of ethics imposed by the5 Uniform Standards of Professional Appraisal Practice.

6 (c) The department shall offer the training program at least
7 quarterly.

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SECTION 12. Section 5.042(c), Tax Code, is repealed.

SECTION 13. 9 (a) The first election required by Section 10 6.05(c), Tax Code, as amended by this Act, shall be held to fill the term of office of the chief appraiser that begins January 1, 2013. 11 12 The change in law made by Sections 6.05(b) and (c), Tax Code, as amended by this Act, does not affect the appointment by an appraisal 13 14 district board of directors of a person to serve as chief appraiser 15 before the effective date of this Act, and that person continues to serve at the pleasure of the appraisal district board of directors 16 17 until the person elected to that position for the term that begins January 1, 2013, has qualified for office. A vacancy in the office 18 19 of chief appraiser that occurs on or after September 1, 2011, is 20 filled by appointment by the commissioners court, as provided by Section 87.041(a), Local Government Code, as amended by this Act. 21

(b) Section 5.042(b), Tax Code, as amended by this Act, applies only to a person appointed to fill a vacancy in the office of chief appraiser that occurs on or after September 1, 2011. A person appointed to fill a vacancy in the office of chief appraiser before September 1, 2011, must complete the training required under Section 5.042, Tax Code, within the time prescribed by Section

5.042(b), Tax Code, as that section existed January 1, 2011.
 SECTION 14. This Act takes effect September 1, 2011.