

By: Phillips

H.B. No. 3540

A BILL TO BE ENTITLED

AN ACT

relating to the administration of appraisal districts and the appraisal of property for ad valorem tax purposes.

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

SECTION 1. Chapter 5, Tax Code, is amended by adding Section 5.071 to read as follows:

Sec. 5.071. REGISTRY OF CERTIFIED SOFTWARE. (a) The comptroller shall maintain a registry listing software certified by the comptroller for use in the appraisal of property for tax purposes or the assessment or collection of taxes under this title.

(b) To be certified under this section, software must meet uniform standards prescribed by the comptroller.

(c) Each appraisal district, assessor, and collector shall use appropriate software listed in the registry in connection with the appraisal of property for tax purposes or the assessment or collection of taxes by the district, assessor, or collector.

(d) The comptroller shall adopt rules necessary to administer this section.

SECTION 2. Section 5.12(b), Tax Code, is amended to read as follows:

(b) At the written request of the governing bodies of a majority of the taxing units participating in an appraisal district [~~or of a majority of the taxing units entitled to vote on the appointment of appraisal district directors~~], the comptroller

1 shall audit the performance of the appraisal district. The
2 governing bodies may request a general audit of the performance of
3 the appraisal district or may request an audit of only one or more
4 particular duties, practices, functions, departments, or other
5 appraisal district matters.

6 SECTION 3. Section 5.13(h), Tax Code, is amended to read as
7 follows:

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

11 (1) the governing bodies of a majority of the taxing
12 units participating in the district, if the audit was requested by a
13 majority of those units; or

14 ~~(2) [the governing bodies of a majority of the taxing~~
15 ~~units entitled to vote on the appointment of appraisal district~~
16 ~~directors, if the audit was requested by a majority of those units,~~
17 ~~or~~

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

20 SECTION 4. Section 6.03, Tax Code, is amended by amending
21 Subsections (a), (b), (c), (k), and (l) and adding Subsections
22 (a-1), (a-2), and (l-1) to read as follows:

23 (a) The appraisal district is governed by a board of seven
24 directors. Two directors are elected at the general election for
25 state and county officers by the voters of the county for which the
26 district is established, and five ~~[Five]~~ directors are appointed by
27 the taxing units that participate in the district as provided by

1 this section.

2 (a-1) If the county assessor-collector is not appointed to
3 the board of directors, the county assessor-collector serves as a
4 nonvoting director. The county assessor-collector is ineligible to
5 serve if the board enters into a contract under Section 6.05(b) or
6 if the commissioners court of the county enters into a contract
7 under Section 6.24(b).

8 (a-2) To be eligible to serve on the board of directors, an
9 individual, other than a county assessor-collector serving as a
10 nonvoting director, must be a resident of the appraisal district
11 and must have resided in the district for at least two years
12 immediately preceding the date the individual takes office. To be
13 eligible to be elected to the board, an individual must be a
14 resident of the county for which the district is established. An
15 individual who is otherwise eligible to serve on the board as a
16 member appointed by the taxing units participating in the district
17 is not ineligible because of membership on the governing body of a
18 taxing unit. An employee of a taxing unit that participates in the
19 district is not eligible to serve on the board as a member appointed
20 by the taxing units participating in the district unless the
21 individual is also a member of the governing body or an elected
22 official of a taxing unit that participates in the district.

23 (b) Members of the board of directors, other than a county
24 assessor-collector serving as a nonvoting director, serve two-year
25 terms. The terms of directors elected at a general election begin
26 on January 1 of odd-numbered years. The terms of directors
27 appointed by the taxing units begin [~~beginning~~] on January 1 of

1 even-numbered years.

2 (c) Members of the board of directors, other than a county
3 assessor-collector serving as a nonvoting director and other than
4 the elected members, are appointed by vote of the governing bodies
5 of the incorporated cities and towns, the school districts, and, if
6 entitled to vote, the conservation and reclamation districts that
7 participate in the district and of the county. A governing body may
8 cast all its votes for one candidate or distribute them among
9 candidates for any number of directorships. Conservation and
10 reclamation districts are not entitled to vote unless at least one
11 conservation and reclamation district in the district delivers to
12 the chief appraiser a written request to nominate and vote on the
13 board of directors by June 1 of each odd-numbered year. On receipt
14 of a request, the chief appraiser shall certify a list by June 15 of
15 all eligible conservation and reclamation districts that are
16 imposing taxes and that participate in the district.

17 (k) The governing body of each taxing unit entitled to vote
18 shall determine its vote by resolution and submit it to the chief
19 appraiser before December 15. The chief appraiser shall count the
20 votes, declare the five candidates who receive the largest
21 cumulative vote totals appointed [~~elected~~], and submit the results
22 before December 31 to the governing body of each taxing unit in the
23 district and to the candidates. For purposes of determining the
24 number of votes received by the candidates, the candidate receiving
25 the most votes of the conservation and reclamation districts is
26 considered to have received all of the votes cast by conservation
27 and reclamation districts and the other candidates are considered

1 not to have received any votes of the conservation and reclamation
2 districts. The chief appraiser shall resolve a tie vote by any
3 method of chance.

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

16 (1-1) If a vacancy occurs in an elective position on the
17 board of directors, the board of directors shall appoint by
18 majority vote of its members a person to fill the vacancy. A person
19 appointed to fill a vacancy in an elective position must have the
20 qualifications required of a director elected at a general
21 election.

22 SECTION 5. Section 6.031, Tax Code, is amended to read as
23 follows:

24 Sec. 6.031. CHANGES IN BOARD MEMBERSHIP ~~[OR SELECTION]~~.

25 (a) The board of directors of an appraisal district, by resolution
26 adopted and delivered to each taxing unit participating in the
27 district before May ~~August~~ 15, may increase the number of members

1 on the board of directors of the district to not more than 13 or[7]
2 change the method or procedure for appointing the members appointed
3 by the taxing units participating in the district, or both, unless
4 the governing body of a taxing unit that is entitled to vote on the
5 appointment of board members adopts a resolution opposing the
6 change in the method or procedure for appointing those members[7]
7 and files it with the board of directors before June [~~September~~] 1.
8 If a change in the method or procedure for appointing those members
9 is rejected, the board shall notify, in writing, each taxing unit
10 participating in the district before June [~~September~~] 15.

11 (b) The taxing units participating in an appraisal district
12 may increase the number of members on the board of directors of the
13 district to not more than 13 or[7] change the method or procedure
14 for appointing the members appointed by the taxing units
15 participating in the district, or both, if the governing bodies of
16 three-fourths of the taxing units that are entitled to vote on the
17 appointment of board members adopt resolutions providing for the
18 change. However, a change under this subsection in the method or
19 procedure for selecting members appointed by the taxing units
20 participating in the district is not valid if it reduces the voting
21 entitlement of one or more taxing units that do not adopt a
22 resolution proposing it to less than a majority of the voting
23 entitlement under Section 6.03 [~~of this code~~] or if it reduces the
24 voting entitlement of any taxing unit that does not adopt a
25 resolution proposing it to less than 50 percent of its voting
26 entitlement under Section 6.03 [~~of this code~~] and if that taxing
27 unit's allocation of the budget is not reduced to the same

1 proportional percentage amount, or if it expands the types of
2 taxing units that are entitled to vote on appointment of board
3 members.

4 (c) An official copy of a resolution under Subsection (b)
5 [~~this section~~] must be filed with the chief appraiser of the
6 appraisal district after May [~~June~~] 30 and before August [~~October~~]
7 1 [~~of a year in which board members are appointed~~] or the resolution
8 is ineffective.

9 (d) Before August 15 [~~October 5 of each year in which board~~
10 ~~members are appointed~~], the chief appraiser shall determine whether
11 a sufficient number of eligible taxing units have filed valid
12 resolutions proposing a change under Subsection (b) for the change
13 to take effect. The chief appraiser shall notify each taxing unit
14 participating in the district of each change that is adopted before
15 August 30 [~~October 10~~]. A change in the method or procedure for
16 selecting members appointed by the taxing units participating in
17 the district that is adopted takes effect on the date the chief
18 appraiser notifies the taxing units of the change. An increase in
19 the number of members of the board takes effect on January 1 of the
20 first year after the date the chief appraiser notifies the taxing
21 units of the increase.

22 (e) If the number of members of the board is increased under
23 this section, at least one-half of the number of new members shall
24 be elected to the board in the manner provided by Section 6.03. The
25 board of directors by majority vote of its members may increase the
26 number of members to be elected to more than the minimum number
27 required by this subsection.

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

7 (g) [~~(f)~~] A provision of Section 6.03 [~~of this code~~] that is
8 subject to change under this section but is not expressly changed by
9 resolution of a sufficient number of eligible taxing units remains
10 in effect.

11 (h) [~~(g)~~] For purposes of this section, the conservation
12 and reclamation districts in an appraisal district are considered
13 to be entitled to vote on the appointment of appraisal district
14 directors if:

15 (1) a conservation and reclamation district has filed
16 a request to the chief appraiser to nominate and vote on directors
17 in the current year as provided by Section 6.03(c); or

18 (2) conservation and reclamation districts were
19 entitled to vote on the appointment of directors in the appraisal
20 district in the most recent year in which directors were appointed
21 under Section 6.03.

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

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

1 (b) An application for a place on the ballot must be filed
2 with the county judge of the county for which the appraisal district
3 is established and be accompanied by either a filing fee of \$200 or
4 a petition that contains at least 25 signatures of registered
5 voters of the county.

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

8 (d) A filing fee received under this section shall be
9 deposited in the county treasury to the credit of the county general
10 fund.

11 SECTION 7. Section 6.033, Tax Code, is amended to read as
12 follows:

13 Sec. 6.033. RECALL OF APPOINTED DIRECTOR. (a) The
14 governing body of a taxing unit may call for the recall of a member
15 of the board of directors of an appraisal district appointed by the
16 taxing units participating in the district under Section 6.03 [~~of~~
17 ~~this code~~] for whom the unit cast any of its votes in the
18 appointment of the appointive board members. The call must be in
19 the form of a resolution, be filed with the chief appraiser of the
20 appraisal district, and state that the unit is calling for the
21 recall of the member. If a resolution calling for the recall of a
22 board member is filed under this subsection, the chief appraiser,
23 not later than the 10th day after the date of filing, shall deliver
24 a written notice of the filing of the resolution and the date of its
25 filing to the presiding officer of the governing body of each taxing
26 unit entitled to vote in the appointment of board members.

27 (b) On or before the 30th day after the date on which a

1 resolution calling for the recall of a member of the board appointed
2 by the taxing units participating in the district is filed, the
3 governing body of a taxing unit that cast any of its votes in the
4 appointment of the board for that member may vote to recall the
5 member by resolution submitted to the chief appraiser. Each taxing
6 unit is entitled to the same number of votes in the recall as it cast
7 for that member in the member's appointment to [~~of~~] the board. The
8 governing body of the taxing unit calling for the recall may cast
9 its votes in favor of the recall in the same resolution in which it
10 called for the recall.

11 (c) Not later than the 10th day after the last day provided
12 by this section for voting in favor of the recall, the chief
13 appraiser shall count the votes cast in favor of the recall. If the
14 number of votes in favor of the recall equals or exceeds a majority
15 of the votes cast for the member in the member's appointment to [~~of~~]
16 the board, the member is recalled and ceases to be a member of the
17 board. The chief appraiser shall immediately notify in writing the
18 presiding officer of the appraisal district board of directors and
19 of the governing body of each taxing unit that voted in the recall
20 election of the outcome of the recall election. If the presiding
21 officer of the appraisal district board of directors is the member
22 whose recall was voted on, the chief appraiser shall also notify the
23 secretary of the appraisal district board of directors of the
24 outcome of the recall election.

25 (d) If a vacancy occurs on the board of directors after the
26 recall of a member of the board under this section, the taxing units
27 that were entitled to vote in the recall election shall appoint a

1 new board member to the vacancy. Each taxing unit is entitled to
2 the same number of votes as it originally cast to appoint the
3 recalled board member. Each taxing unit entitled to vote may
4 nominate one candidate by resolution adopted by its governing body.
5 The presiding officer of the governing body of the unit shall submit
6 the name of the unit's nominee to the chief appraiser on or before
7 the 30th day after the date it receives notification from the chief
8 appraiser of the result of the recall election. On or before the
9 15th day after the last day provided for a nomination to be
10 submitted, the chief appraiser shall prepare a ballot, listing the
11 candidates nominated alphabetically according to each candidate's
12 surname, and shall deliver a copy of the ballot to the presiding
13 officer of the governing body of each taxing unit that is entitled
14 to vote. On or before the 15th day after the date on which a taxing
15 unit's ballot is delivered, the governing body of the taxing unit
16 shall determine its vote by resolution and submit it to the chief
17 appraiser. On or before the 15th day after the last day on which a
18 taxing unit may vote, the chief appraiser shall count the votes,
19 declare the candidate who received the largest vote total
20 appointed, and submit the results to the presiding officer of the
21 governing body of the appraisal district and of each taxing unit in
22 the district and to the candidates. The chief appraiser shall
23 resolve a tie vote by any method of chance.

24 (e) If the members appointed by the taxing units
25 participating in the district to the board of directors of an
26 appraisal district are [~~is~~] appointed by a method or procedure
27 adopted under Section 6.031 [~~of this code~~], the governing bodies of

1 the taxing units that voted for or otherwise participated in the
2 appointment of a member of the board may recall that member and
3 appoint a new member to the vacancy by any method adopted by
4 resolution of a majority of those governing bodies. If the
5 appointment was by election by the taxing units participating in
6 the district, the method of recall and of appointing a new member to
7 the vacancy is not valid unless it provides that each taxing unit is
8 entitled to the same number of votes in the recall and in the
9 appointment to fill the vacancy as the unit [~~it~~] originally cast for
10 the member being recalled.

11 SECTION 8. Sections 6.035(a), (b), and (d), Tax Code, are
12 amended to read as follows:

13 (a) An individual is ineligible to serve on an appraisal
14 district board of directors or [~~and is disqualified from~~
15 ~~employment~~] as chief appraiser if the individual:

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

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

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

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

3 (b) A member of an appraisal district board of directors or
4 a chief appraiser commits an offense if the board member or chief
5 appraiser continues to hold office [~~or the chief appraiser remains~~
6 ~~employed~~] knowing that an individual related within the second
7 degree by consanguinity or affinity, as determined under Chapter
8 573, Government Code, to the board member or chief appraiser is
9 engaged in the business of appraising property for compensation for
10 use in proceedings under this title or of representing property
11 owners for compensation in proceedings under this title in the
12 appraisal district in which the member or chief appraiser serves
13 [~~or the chief appraiser is employed~~]. An offense under this
14 subsection is a Class B misdemeanor.

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

22 SECTION 9. Section 6.036(a), Tax Code, is amended to read as
23 follows:

24 (a) An individual is not eligible to be a candidate for the
25 office of appraisal district director [~~appointed to~~] or to serve on
26 the board of directors of an appraisal district if the individual or
27 a business entity in which the individual has a substantial

1 interest is a party to a contract with:

2 (1) the appraisal district; or

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

6 SECTION 10. The heading to Section 6.05, Tax Code, is
7 amended to read as follows:

8 Sec. 6.05. APPRAISAL OFFICE; CHIEF APPRAISER.

9 SECTION 11. Section 6.05, Tax Code, is amended by amending
10 Subsections (b) and (c) and adding Subsections (c-1) and (j) to read
11 as follows:

12 (b) The board of directors of an appraisal district may
13 contract with an appraisal office in another district [~~or with a~~
14 ~~taxing unit in the district~~] to perform the duties of the appraisal
15 office for the district.

16 (c) The chief appraiser is the chief administrator of the
17 appraisal office. The chief appraiser is elected at the general
18 election for state and county officers by the voters of the county
19 for which the appraisal district is established. The chief
20 appraiser serves a two-year term beginning on January 1 of each
21 odd-numbered year. To be eligible to be a candidate for or to serve
22 as chief appraiser, an individual must be a registered voter of the
23 county [~~appointed by and serves at the pleasure of the appraisal~~
24 ~~district board of directors. If a taxing unit performs the duties~~
25 ~~of the appraisal office pursuant to a contract, the assessor for the~~
26 ~~unit is the chief appraiser].~~

27 (c-1) Section 6.032 applies to a candidate for the office of

1 chief appraiser of an appraisal district in the same manner as that
2 section applies to a candidate for an elective position on an
3 appraisal district board of directors.

4 (j) If a vacancy occurs in the office of chief appraiser,
5 the county judge of the county for which the appraisal district is
6 established shall appoint a qualified person to fill the vacancy. A
7 person appointed to fill a vacancy serves for the remainder of the
8 unexpired term.

9 SECTION 12. Section 6.051(b), Tax Code, is amended to read
10 as follows:

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

1 proposal is treated as if it were disapproved by the governing body.

2 SECTION 13. Sections 6.41(b), (d), and (e), Tax Code, are
3 amended to read as follows:

4 (b) The board consists of six [~~three~~] members. [~~However,~~
5 ~~the district board of directors by resolution of a majority of its~~
6 ~~members may increase the size of the appraisal review board to the~~
7 ~~number of members the board of directors considers appropriate.]~~

8 (d) Members of the board are selected by the presiding
9 county judge from a jury list in the same manner that persons are
10 chosen for service on a petit jury under Chapter 62, Government
11 Code. The county judge shall select persons to serve on the board
12 following receipt of notice from the chief appraiser that a new
13 panel of board members is needed. In selecting persons to serve on
14 the board, the county judge shall determine each person's
15 qualifications and eligibility for service, as well as whether any
16 exemptions or excuses apply, as provided by Chapter 62, Government
17 Code, for the selection of petit jurors. A person who is selected
18 to serve as a member of the board and who fails to attend meetings of
19 the board is subject to the penalty provided by Section 62.111,
20 Government Code, for a juror who fails to attend court in obedience
21 to a notice to appear for jury service without reasonable excuse
22 [~~appointed by resolution of a majority of the appraisal district~~
23 ~~board of directors. A vacancy on the board is filled in the same~~
24 ~~manner for the unexpired portion of the term].~~

25 (e) Members of each panel of the board serve for a period of
26 one week, except that if during that week the members hear a
27 challenge or protest, the members shall continue serving for the

1 purpose of determining that challenge or protest until that
2 challenge or protest is determined [~~hold office for terms of two~~
3 ~~years beginning January 1. The appraisal district board of~~
4 ~~directors by resolution shall provide for staggered terms, so that~~
5 ~~the terms of as close to one-half of the members as possible expire~~
6 ~~each year. In making the initial or subsequent appointments, the~~
7 ~~board of directors shall designate those members who serve terms of~~
8 ~~one year as needed to comply with this subsection)].~~

9 SECTION 14. Sections 6.411(a) and (b), Tax Code, are
10 amended to read as follows:

11 (a) A member of an appraisal review board commits an offense
12 if the member communicates with the chief appraiser or an [~~another~~
13 employee of the appraisal district for which the appraisal review
14 board is established in violation of Section 41.66(f).

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

22 SECTION 15. Section 6.42, Tax Code, is amended by amending
23 Subsection (c) and adding Subsection (d) to read as follows:

24 (c) Members of the board are entitled to receive as [~~per~~
25 ~~diem set by the appraisal district budget for each day the board~~
26 ~~meets and to~~] reimbursement for travel and other [~~actual and~~
27 ~~necessary~~] expenses an amount as provided by the appraisal district

1 budget that is not more than the maximum amount or less than the
2 minimum amount authorized by Section 61.001, Government Code, for
3 reimbursement of expenses of a juror [~~incurred in the performance~~
4 ~~of board functions as provided by the district budget~~].

5 (d) In an appraisal district established for a county with a
6 population of 50,000 or more the board may not own, lease, rent,
7 occupy, or otherwise maintain administrative office space in the
8 appraisal office or a branch appraisal office.

9 SECTION 16. Section 23.0101, Tax Code, is amended to read as
10 follows:

11 Sec. 23.0101. CONSIDERATION OF ALTERNATE APPRAISAL
12 METHODS. In determining the market value of property, the chief
13 appraiser shall consider the cost, income, and market data
14 comparison methods of appraisal and use the most appropriate method
15 based on the individual characteristics of the property.

16 SECTION 17. Section 25.195, Tax Code, is amended by adding
17 Subsections (f), (g), (h), and (i) to read as follows:

18 (f) If a property owner or the owner's designated agent
19 requests to inspect and copy appraisal records under Subsection (a)
20 or if at any time the owner or agent requests information relating
21 to sales of property similar to the property owner's property that
22 were used in the appraisal of the property owner's property, the
23 chief appraiser shall provide the owner with information relating
24 to not fewer than three sales of similar property used in the
25 appraisal of the property of the owner.

26 (g) If the owner or agent makes a request under Subsection
27 (a) and fewer than three sales of similar property were used in the

1 appraisal of the property or the appraisal was made without using
2 information relating to sales of similar property, the chief
3 appraiser shall provide the owner or agent with a statement to that
4 effect that includes as appropriate:

5 (1) information relating to each sale of similar
6 property that was used in the appraisal; or

7 (2) an explanation of the method other than the
8 comparable sales method used to appraise the property.

9 (h) If the owner or agent makes a request under Subsection
10 (a) in preparation for an appraisal review board hearing under
11 Chapter 41, the chief appraiser shall provide the owner or agent
12 with the information required by Subsection (f) or (g) not later
13 than the seventh day before the date scheduled for the hearing.

14 (i) For purposes of this section, the information provided
15 to a property owner or the property owner's designated agent
16 relating to a sale of property must include at least a general
17 description of the property, its location, and the sales price or
18 other consideration for the sale.

19 SECTION 18. Subchapter D, Chapter 41, Tax Code, is amended
20 by adding Section 41.665 to read as follows:

21 Sec. 41.665. PROTEST HEARING OFFICER. (a) The county judge
22 of each county for which an appraisal district was established
23 shall appoint an attorney as a protest hearing officer who serves at
24 the pleasure of the county judge.

25 (b) The protest hearing officer mediates protest hearings
26 conducted by the appraisal review board.

27 (c) A protest hearing officer shall assist any party and the

1 appraisal review board during a protest hearing conducted by the
2 appraisal review board by:

3 (1) identifying the laws and administrative rules that
4 apply to:

5 (A) the property involved in the hearing;

6 (B) the hearing itself; and

7 (C) an appraisal review board member, taxing
8 unit, and taxpayer;

9 (2) explaining the procedure for a protest hearing
10 conducted by the appraisal review board; and

11 (3) answering other questions regarding the laws and
12 rules that apply to the appraisal process, protest procedures, and
13 related matters.

14 (d) A protest hearing officer is entitled to compensation as
15 provided by the budget of the county for which the appraisal
16 district was created.

17 (e) A person who performs services for the appraisal
18 district or a taxing unit served by the district for compensation is
19 not eligible to be appointed as a protest hearing officer.

20 (f) A protest hearing officer is not liable for civil
21 damages for a recommendation made or an opinion rendered in good
22 faith during the performance of duties under this section.

23 (g) This section does not create a relationship of attorney
24 and client or other fiduciary relationship between a protest
25 hearing officer and any party or the appraisal review board
26 involved in the hearing.

27 SECTION 19. Section 43.01, Tax Code, is amended to read as

1 follows:

2 Sec. 43.01. AUTHORITY TO BRING SUIT. (a) A taxing unit may
3 sue the appraisal district that appraises property for the unit to
4 compel the appraisal district to comply with the provisions of this
5 title, rules of the comptroller, or other applicable law.

6 (b) A person may sue an appraisal district or appraisal
7 review board to compel the appraisal district or appraisal review
8 board to comply with the provisions of this title, rules of the
9 comptroller, or other applicable law if the failure to comply
10 causes or will cause substantial economic harm to or denial of a
11 statutory or constitutional right of that person. A person
12 bringing an action under this subsection must pay \$1,000 into the
13 registry of the court. The court shall distribute that amount to
14 the prevailing party on entry of final judgment in the action.

15 (c) If the party bringing an action under this section
16 prevails on the merits, the court shall enter an order compelling
17 the appraisal district or appraisal review board to comply with the
18 applicable law and ordering that the prevailing party recover its
19 court costs and reasonable attorney's fees.

20 (d) This section applies only to a matter that may not be the
21 subject of a motion under Section 25.25(c) or (d) or a protest or
22 challenge under Chapter 41.

23 SECTION 20. Section 52.092, Election Code, is amended by
24 adding Subsection (k) to read as follows:

25 (k) The secretary of state shall prescribe procedures for
26 listing the offices of appraisal district director and chief
27 appraiser of an appraisal district on the ballot.

1 SECTION 21. Sections 5.041(e), 6.034, 6.10, and 6.41(f),
2 Tax Code, are repealed.

3 SECTION 22. (a) The appropriate number of appraisal
4 district directors holding elective positions shall be elected in
5 each appraisal district as provided by Section 6.03, Tax Code, as
6 amended by this Act, and Section 6.032, Tax Code, as added by this
7 Act, beginning with the general election for state and county
8 officers conducted in 2010. Members then elected take office
9 January 1, 2011.

10 (b) The chief appraiser of an appraisal district shall be
11 elected as provided by Section 6.05(c), Tax Code, as amended by this
12 Act, beginning with the general election for state and county
13 officers conducted in 2010. A chief appraiser then elected takes
14 office January 1, 2011.

15 SECTION 23. (a) The change in law made by this Act does not
16 affect the selection of appraisal district directors or a chief
17 appraiser serving before January 1, 2011.

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

20 (c) A person serving as chief appraiser on December 31,
21 2010, vacates the position on January 1, 2011, unless the person is
22 elected as chief appraiser for the term of that office that begins
23 on January 1, 2011.

24 SECTION 24. (a) As soon as practicable after the effective
25 date of this Act, the comptroller shall adopt the rules required by
26 Section 5.071, Tax Code, as added by this Act. In the initial
27 rules, the comptroller shall adopt a schedule for appraisal

1 districts, assessors, and collectors to which that section applies
2 to replace software that the appraisal districts, assessors, or
3 collectors are using on the effective date of this Act with
4 appropriate software listed in the registry established under that
5 section.

6 (b) Notwithstanding Section 5.071, Tax Code, as added by
7 this Act, an appraisal district, assessor, or collector may
8 continue to use software in the appraisal of property for ad valorem
9 tax purposes or in the assessment or collection of ad valorem taxes
10 that the appraisal district, assessor, or collector is using on the
11 effective date of this Act until the software must be replaced in
12 accordance with the schedule adopted under Subsection (a) of this
13 section.

14 SECTION 25. (a) Not later than March 31, 2010, the
15 comptroller shall develop a course for use in training appraisal
16 review board members and establish a toll-free telephone number
17 that appraisal review board members may use as provided by Section
18 5.041, Tax Code, as amended by this Act.

19 (b) The term of a member of an appraisal review board
20 serving on January 1, 2010, expires on that date.

21 SECTION 26. This Act takes effect January 1, 2010.