

By: Williams

S.B. No. 722

A BILL TO BE ENTITLED

AN ACT

relating to the selection of the board of directors of an appraisal district.

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

SECTION 1. 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 all the taxing units participating in an appraisal district or of a majority of the group of taxing units composed of the municipalities, school districts, and county participating in the appraisal district [~~entitled to vote on the appointment of appraisal district directors~~], the comptroller shall audit the performance of the appraisal district. The governing bodies may request a general audit of the performance of the appraisal district or may request an audit of only one or more particular duties, practices, functions, departments, or other appraisal district matters.

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

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

(1) the governing bodies of a majority of all the taxing units participating in the district, if the audit was

1 requested by a majority of those units;

2 (2) the governing bodies of a majority of the group of
3 taxing units composed of the municipalities, school districts, and
4 county participating in the appraisal district [~~entitled to vote on~~
5 ~~the appointment of appraisal district directors~~], if the audit was
6 requested by a majority of those units; or

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

9 SECTION 3. Section 6.03, Tax Code, is amended by amending
10 Subsections (a) and (l) and adding Subsections (a-1) and (m) to read
11 as follows:

12 (a) The appraisal district is governed by a board of five
13 directors. One director is elected from each of the four
14 commissioners precincts of the county for which the appraisal
15 district is established. The county assessor-collector is a
16 director by virtue of the person's office. The directors other than
17 the county assessor-collector are elected at the general election
18 for state and county officers and serve two-year terms beginning on
19 January 1 of odd-numbered years. [~~Five directors are appointed by~~
20 ~~the taxing units that participate in the district as provided by~~
21 ~~this section. If the county assessor-collector is not appointed to~~
22 ~~the board, the county assessor-collector serves as a nonvoting~~
23 ~~director.~~] The county assessor-collector is ineligible to serve if
24 the board enters into a contract under Section 6.05(b) or if the
25 commissioners court of the county enters into a contract under
26 Section 6.24(b). If the county assessor-collector is ineligible to
27 serve, the appraisal district is governed by the four directors

1 electd from the commissioners precincts and a director appointed
2 by the commissioners court of the county.

3 (a-1) To be eligible to serve on the board of directors, an
4 individual other than the [~~a~~] county assessor-collector [~~servng as~~
5 ~~a nonvoting director~~] must:

6 (1) be a resident of:

7 (A) the commissioners precinct from which the
8 office is elected, in the case of a director elected from a
9 commissioners precinct; or

10 (B) the county for which the appraisal district
11 is established, in the case of a director appointed by the
12 commissioners court of the county; [~~district~~] and

13 (2) [~~must~~] have resided in the appraisal district for
14 at least two years immediately preceding the date the individual
15 takes office. [~~An individual who is otherwise eligible to serve on~~
16 ~~the board is not ineligible because of membership on the governing~~
17 ~~body of a taxing unit. An employee of a taxing unit that~~
18 ~~participates in the district is not eligible to serve on the board~~
19 ~~unless the individual is also a member of the governing body or an~~
20 ~~elected official of a taxing unit that participates in the~~
21 ~~district.~~]

22 (1) A [~~If a~~] vacancy [~~occurs~~] on the board of directors
23 other than a vacancy in the position held by the [~~a~~] county
24 assessor-collector is filled for the remainder of the unexpired
25 term by appointment by the commissioners court of the county for
26 which the appraisal district is established. A person appointed to
27 fill a vacancy on the board of directors must meet the

1 qualifications of the vacated position [~~serving as a nonvoting~~
2 ~~director, each taxing unit that is entitled to vote by this section~~
3 ~~may nominate by resolution adopted by its governing body a~~
4 ~~candidate to fill the vacancy. The unit shall submit the name of~~
5 ~~its nominee to the chief appraiser within 45 days after~~
6 ~~notification from the board of directors of the existence of the~~
7 ~~vacancy, and the chief appraiser shall prepare and deliver to the~~
8 ~~board of directors within the next five days a list of the nominees.~~
9 ~~The board of directors shall elect by majority vote of its members~~
10 ~~one of the nominees to fill the vacancy].~~

11 (m) If as a result of a change in the boundaries of a
12 commissioners precinct an individual serving as a director no
13 longer resides in the precinct from which the office is elected, the
14 individual is not for that reason disqualified from office during
15 the remainder of the term of office being served at the time the
16 boundary change takes effect. If as a result of a change in the
17 boundaries of a commissioners precinct an individual elected as a
18 director before the boundary change to a term that begins after the
19 boundary change no longer resides in the precinct from which
20 elected, the individual is not for that reason disqualified from
21 serving the term to which elected.

22 SECTION 4. 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, to
25 be appointed to, or to serve on the board of directors of an
26 appraisal district if the individual or a business entity in which
27 the individual has a substantial interest is a party to a contract

1 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 5. Section 6.051(b), Tax Code, is amended to read
7 as follows:

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

1 SECTION 6. Sections 6.06(a), (b), and (i), Tax Code, are
2 amended to read as follows:

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

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

1 budget and file them with the secretary of the board within 30 days
2 after its adoption, the budget does not take effect, and the board
3 shall adopt a new budget within 30 days of the disapproval.

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

1 ~~[of this section]~~, except that the first payment shall be made
2 before the first day of the fiscal year established by the change
3 and subsequent payments shall be made quarterly. In the year in
4 which a change in the fiscal year occurs, the budget that takes
5 effect on January 1 of that year may be amended as necessary as
6 provided by Subsection (c) ~~[of this section]~~ in order to accomplish
7 the change in fiscal years.

8 SECTION 7. Sections 6.061(b) and (e), Tax Code, are amended
9 to read as follows:

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

21 (e) A change in allocation of district costs made as
22 provided by this section remains in effect until changed in a manner
23 provided by this section or rescinded by resolution of a majority of
24 the governing bodies of the group of taxing units composed of the
25 municipalities, school districts, and county participating in the
26 appraisal district ~~[that are entitled to vote on appointment of~~
27 ~~board members under Section 6.03 of this code]~~.

1 SECTION 8. Section 6.063(b), Tax Code, is amended to read
2 as follows:

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

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

12 (d) District offices of the state government shall be listed
13 in the following order:

- 14 (1) member, State Board of Education;
- 15 (2) state senator;
- 16 (3) state representative;
- 17 (4) chief justice, court of appeals;
- 18 (5) justice, court of appeals;
- 19 (6) district judge;
- 20 (7) criminal district judge;
- 21 (8) family district judge;
- 22 (9) district attorney;
- 23 (10) criminal district attorney;
- 24 (11) appraisal district director.

25 SECTION 10. Section 172.024, Election Code, is amended by
26 adding Subsection (c) to read as follows:

27 (c) For the office of appraisal district director, the

1 filing fee for a candidate for nomination in the general primary
2 election is:

3 (1) county with a population of 200,000 or
4 more \$400

5 (2) county with a population under 200,000 \$200.

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

- 8 (1) Sections 6.03(b)-(k);
- 9 (2) Section 6.031;
- 10 (3) Section 6.033;
- 11 (4) Section 6.034;
- 12 (5) Section 6.037; and
- 13 (6) Section 6.10.

14 SECTION 12. (a) Appraisal district directors shall be
15 elected as provided by Section 6.03, Tax Code, as amended by this
16 Act, beginning with the primary and general elections conducted in
17 2012. Members then elected take office January 1, 2013.

18 (b) The change in the manner of selection of appraisal
19 district directors made by this Act does not affect the selection of
20 directors who serve on the board before January 1, 2013.

21 (c) The term of an appraisal district director serving on
22 December 31, 2012, expires on January 1, 2013.

23 SECTION 13. (a) Except as otherwise provided by this
24 section, this Act takes effect January 1, 2013.

25 (b) This section and Sections 9, 10, and 12 of this Act take
26 effect September 1, 2011.