

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 13, 2011

TO: Honorable Steve Ogden, Chair, Senate Committee on Finance

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB2078 by Villarreal (Relating to the independence of appraisal review boards and the enforcement of appraisal review board orders; changing the elements of an offense.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend the Tax Code, with regard to property taxation, to prohibit a chief appraiser, an appraisal district employee, a member of an appraisal district board of directors, or a member of an appraisal review board from providing the initial or continuing appraisal review board training required by law.

Chief appraisers, appraisal district employees, a member of the appraisal review board, a member of the appraisal district board of directors, a taxing unit officer, a taxing unit employee, or an attorney who represents (or whose law firm represents) the appraisal district or a taxing unit that participates in the appraisal district for which the appraisal review board is established, would not be permitted to communicate with a member of an appraisal review board about an appraisal review board training course or any matter presented or discussed during the appraisal district training course. A chief appraiser, an employee of the appraisal district, or a property tax consultant or attorney representing a party to a proceeding before the appraisal review board would be prohibited from communicating with a member of the appraisal review board with the intent to influence an appraisal review board decision. A chief appraiser, appraisal district employee, or a member of the board of directors would be permitted to communicate with a member of the appraisal review board in social conversations, or about necessary administrative and procedural matters related to the operation of the appraisal review board.

An appraisal review board would be permitted to retain a certified appraiser for instruction on valuation methods if the appraisal district budgets for the instruction.

Attorneys would be prohibited from representing an appraisal review board if they or any member of their law firm within the prior year had represented the appraisal district, a property owner in the appraisal district, or a taxing unit in the appraisal district in a property tax matter. The county attorney would be permitted to provide legal services to the appraisal review board even if that attorney or assistant attorney represents or has represented the appraisal district or a taxing unit in any matter. The bill would establish other procedures regarding the use of attorneys by appraisal review boards.

The bill would impose restrictions regarding appraisal review board training and on the relationship between appraisal review board members and other entities and would establish restrictions and procedures related to the use of attorneys by appraisal review boards, but would not change taxable values, tax rates, exemptions or any other variable affecting property tax revenues. Consequently, there would be no fiscal impact on units of local government or the state.

The bill would take effect on September 1, 2011.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, KK, SD, SJS