

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 15, 2011

TO: Honorable Harvey Hilderbran, Chair, House Committee on Ways & Means

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

IN RE: HB2078 by Villarreal (Relating to appraisal review board members.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 5 of the Tax Code, regarding property taxation, to prohibit appraisal districts and appraisal review boards from conducting their own training for appraisal review board members, from instructing members to disregard matters taught by the Comptroller, and from conducting themselves differently from the manner in which they have been instructed by the Comptroller. Chief appraisers, appraisal district employees, or a member of the appraisal review board may contact an appraisal review board member only about necessary administrative and procedural matters related to the operation of the appraisal review board.

The bill would amend Chapter 6 of the Tax Code, regarding property taxation, to require appraisal districts to provide appraisal review boards with independent legal counsel of the appraisal review board's choosing, and the county attorney or other competent attorneys would be permitted to provide legal services to the appraisal review board. Attorneys would be prohibited from representing an appraisal review board if they or any member of their law firm within the prior twelve month period had represented a property owner, an appraisal district, or a governmental entity in connection with the appraisal, valuation, exemption, or collection of property taxes.

The bill's provision that would require appraisal districts to provide independent legal counsel to appraisal review boards would create a cost to units of local government that participate in the appraisal district budget. There would be no cost to the state because the state does not pay any part of appraisal district budgets. The number of appraisal review boards that would require legal counsel, the hours of legal counsel required, and the cost of the counsel are unknown (in some instances the county attorney might provide this service at no charge). Consequently, the cost to units of local government cannot be estimated.

The bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2011.

Local Government Impact

The bill's provision that would require appraisal districts to provide independent legal counsel to appraisal review boards would create a cost to units of local government that participate in the appraisal district budget.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, KK, SD, SJS