

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 2, 2011

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

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

IN RE: HB2529 by Price (Relating to the administration of appraisal districts.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend the Tax Code to provide that appraisal district board of directors are appointed by the commissioners court of the county in which the appraisal district is established, rather than by participating taxing units. Appointed directors would serve their first term beginning on January 1, 2012; the term of directors serving on December 31, 2011 would expire on January 1, 2012. The county assessor-collector by virtue of the person's office would be one of the directors and would serve as a nonvoting director and the chairman of the board. A taxing unit employee would be prohibited from serving on the appraisal board. Current law allows these employees to serve on the board if the employee is also a member of a taxing unit's governing body or an elected official of a taxing unit.

For two or more adjoining appraisal districts that have provided for a consolidated appraisal district by interlocal contract, four directors would be appointed by the commissioner's court of each county and the county assessor-collector for each of the counties would rotate service every two years as the nonvoting director.

The bill would repeal the authorization of the appraisal district board of directors to contract with another appraisal district or with a taxing unit in the district to perform the duties of the appraisal office for the district.

The bill would repeal the requirement that three-fourths of the taxing units approve of the acquisition or conveyance of real property or the construction or renovation of a building or other improvement. Instead, the bill would give this responsibility to the board of directors. The bill would also repeal other provisions and make conforming changes.

The bill would make changes regarding the selection of the appraisal district board of directors but would not affect appraised values, tax rates, or other variables that directly influence property taxes. Consequently, there would be no cost to units of local government or to the state.

The bill would take effect January 1, 2012, except provisions relating to the terms of appraisal district board of directors, which would take effect 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