

BILL ANALYSIS

Senate Research Center

S.B. 1662
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Finance
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 2005, the Texas Legislature enacted legislation which allows certain property owners to appeal an appraisal review board order through binding arbitration as an alternative to filing a lawsuit. In 2009, the Texas Legislature amended the Tax Code to allow property owners to choose between a full arbitration (\$500) and an expedited arbitration (\$250).

In response to the expedited arbitration at a reduced rate, the available pool of qualified arbitrators has declined dramatically (71 percent) while the total number of arbitrations has increased (230 percent) since the enactment of the binding arbitration statute. In order to ensure that quality arbitrators are available for binding arbitration in the future, S.B. 1662 repeals the expedited arbitration option from the Tax Code.

S.B. 1662 amends current law relating to expedited binding arbitration of appraisal review board orders.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the comptroller of public accounts of the State of Texas is rescinded in SECTION 2 (Section 41A.031, Tax Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 41A.03(a), Tax Code, to require a property owner, to appeal an appraisal review board order under this chapter (Appeal Through Binding Arbitration), to file with the appraisal district not later than the 45th day after the date the property owner receives notice of the order, an arbitration deposit made payable to the comptroller of public accounts of the State of Texas in the amount of \$500, rather than the amount of \$500 or \$250, if the property owner requests expedited arbitration under Section 41A.031, in addition to a completed request for binding arbitration under this chapter in the form prescribed by Section 41A.04 (Contents of Request Form).

SECTION 2. Repealer: Section 41A.031 (Expedited Arbitration), Tax Code.

SECTION 3. Provides that the change in law made by this Act does not apply to an appeal of an appraisal review board order for which a request is filed and a deposit is paid before the effective date of this Act. Provides that an appeal of an appraisal review board order for which a request is filed and a deposit is paid before the effective date of this Act is governed by the law in effect immediately before that date, and that law is continued in effect for that purpose.

SECTION 4. Effective date: January 1, 2014.