

By: Anderson

H.B. No. 2762

A BILL TO BE ENTITLED

AN ACT

relating to the selection of the board of directors of an appraisal district; authorizing a fee.

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

SECTION 1. Section 6.03, Tax Code, is amended by amending Subsections (a), (b), (c), (k), and (l) and adding Subsections (a-1), (a-2), and (m) to read as follows:

(a) The appraisal district is governed by a board of seven directors. Two directors are elected at the general election for state and county officers by the voters of the county in which the district is established, and five [~~Five~~] directors are appointed by the taxing units that participate in the district as provided by this section.

(a-1) If the county assessor-collector is not appointed to the board of directors, the county assessor-collector serves as a nonvoting director. The county assessor-collector is ineligible to serve if the board enters into a contract under Section 6.05(b) or if the commissioners court of the county enters into a contract under Section 6.24(b).

(a-2) To be eligible to serve on the board of directors, an individual, other than a county assessor-collector serving as a nonvoting director, must be a resident of the appraisal district and must have resided in the district for at least two years immediately preceding the date the individual takes office. To be

1 eligible to be elected to the board, an individual must be a
2 resident of the county in which the district is established. An
3 individual who is otherwise eligible to serve on the board as a
4 member appointed by the taxing units participating in the district
5 is not ineligible because of membership on the governing body of a
6 taxing unit. An employee of a taxing unit that participates in the
7 district is not eligible to serve on the board as a member appointed
8 by the taxing units participating in the district unless the
9 individual is also a member of the governing body or an elected
10 official of a taxing unit that participates in the district.

11 (b) Members of the board of directors, other than a county
12 assessor-collector serving as a nonvoting director, serve two-year
13 terms. The terms of directors elected at a general election begin
14 on January 1 of odd-numbered years. The terms of directors
15 appointed by the taxing units begin [~~beginning~~] on January 1 of
16 even-numbered years.

17 (c) Members of the board of directors, other than a county
18 assessor-collector serving as a nonvoting director and other than
19 the elected members, are appointed by vote of the governing bodies
20 of the incorporated cities and towns, the school districts, and, if
21 entitled to vote, the conservation and reclamation districts that
22 participate in the district and of the county. A governing body may
23 cast all its votes for one candidate or distribute them among
24 candidates for any number of directorships. Conservation and
25 reclamation districts are not entitled to vote unless at least one
26 conservation and reclamation district in the district delivers to
27 the chief appraiser a written request to nominate and vote on the

1 board of directors by June 1 of each odd-numbered year. On receipt
2 of a request, the chief appraiser shall certify a list by June 15 of
3 all eligible conservation and reclamation districts that are
4 imposing taxes and that participate in the district.

5 (k) The governing body of each taxing unit entitled to vote
6 shall determine its vote by resolution and submit it to the chief
7 appraiser before December 15. The chief appraiser shall count the
8 votes, declare the five candidates who receive the largest
9 cumulative vote totals appointed [~~elected~~], and submit the results
10 before December 31 to the governing body of each taxing unit in the
11 district and to the candidates. For purposes of determining the
12 number of votes received by the candidates, the candidate receiving
13 the most votes of the conservation and reclamation districts is
14 considered to have received all of the votes cast by conservation
15 and reclamation districts and the other candidates are considered
16 not to have received any votes of the conservation and reclamation
17 districts. The chief appraiser shall resolve a tie vote by any
18 method of chance.

19 (l) If a vacancy occurs in an appointive position on the
20 board of directors, other than a vacancy in the position held by a
21 county assessor-collector serving as a nonvoting director, each
22 taxing unit that is entitled to vote by this section may nominate by
23 resolution adopted by its governing body a candidate to fill the
24 vacancy. The unit shall submit the name of its nominee to the chief
25 appraiser within 45 days after notification from the board of
26 directors of the existence of the vacancy, and the chief appraiser
27 shall prepare and deliver to the board of directors within the next

1 five days a list of the nominees. The board of directors shall
2 appoint [~~elect~~] by majority vote of its members one of the nominees
3 to fill the vacancy.

4 (m) If a vacancy occurs in an elective position on the board
5 of directors, the board of directors shall appoint by majority vote
6 of its members a person to fill the vacancy. A person appointed to
7 fill a vacancy in an elective position must have the qualifications
8 required of a director elected at a general election.

9 SECTION 2. Section 6.031, Tax Code, is amended to read as
10 follows:

11 Sec. 6.031. CHANGES IN BOARD MEMBERSHIP [~~OR SELECTION~~].

12 (a) The board of directors of an appraisal district, by resolution
13 adopted and delivered to each taxing unit participating in the
14 district before May [~~August~~] 15, may increase the number of members
15 on the board of directors of the district to not more than 13 or [~~7~~]
16 change the method or procedure for appointing the members appointed
17 by the taxing units participating in the district, or both, unless
18 the governing body of a taxing unit that is entitled to vote on the
19 appointment of board members adopts a resolution opposing the
20 change in the method or procedure for appointing those members [~~7~~]
21 and files it with the board of directors before June [~~September~~] 1.
22 If a change in the method or procedure for appointing those members
23 is rejected, the board shall notify, in writing, each taxing unit
24 participating in the district before June [~~September~~] 15.

25 (b) The taxing units participating in an appraisal district
26 may increase the number of members on the board of directors of the
27 district to not more than 13 or [~~7~~] change the method or procedure

1 for appointing the members appointed by the taxing units
2 participating in the district, or both, if the governing bodies of
3 three-fourths of the taxing units that are entitled to vote on the
4 appointment of board members adopt resolutions providing for the
5 change. However, a change under this subsection in the method or
6 procedure for selecting members appointed by the taxing units
7 participating in the district is not valid if it reduces the voting
8 entitlement of one or more taxing units that do not adopt a
9 resolution proposing it to less than a majority of the voting
10 entitlement under Section 6.03 [~~of this code~~] or if it reduces the
11 voting entitlement of any taxing unit that does not adopt a
12 resolution proposing it to less than 50 percent of its voting
13 entitlement under Section 6.03 [~~of this code~~] and if that taxing
14 unit's allocation of the budget is not reduced to the same
15 proportional percentage amount, or if it expands the types of
16 taxing units that are entitled to vote on appointment of board
17 members.

18 (c) An official copy of a resolution under Subsection (b)
19 [~~this section~~] must be filed with the chief appraiser of the
20 appraisal district after May [~~June~~] 30 and before August [~~October~~]
21 1 [~~of a year in which board members are appointed~~] or the resolution
22 is ineffective.

23 (d) Before August 15 [~~October 5 of each year in which board~~
24 ~~members are appointed~~], the chief appraiser shall determine whether
25 a sufficient number of eligible taxing units have filed valid
26 resolutions proposing a change under Subsection (b) for the change
27 to take effect. The chief appraiser shall notify each taxing unit

1 participating in the district of each change that is adopted before
2 August 30 [~~October 10~~]. A change in the method or procedure for
3 selecting members appointed by the taxing units participating in
4 the district that is adopted takes effect on the date the chief
5 appraiser notifies the taxing units of the change. An increase in
6 the number of members of the board takes effect on January 1 of the
7 first year after the date the chief appraiser notifies the taxing
8 units of the increase.

9 (e) If the number of members of the board is increased under
10 this section, at least one-half of the number of new members shall
11 be elected to the board in the manner provided by Section 6.03. The
12 board of directors by majority vote of its members may increase the
13 number of members to be elected to more than the minimum number
14 required by this subsection.

15 (f) A change in [~~membership or~~] selection of the board
16 members appointed by the taxing units participating in the district
17 made as provided by this section remains in effect until changed in
18 a manner provided by this section or rescinded by resolution of a
19 majority of the governing bodies that are entitled to vote on
20 appointment of board members under Section 6.03 [~~of this code~~].

21 (g) [~~(f)~~] A provision of Section 6.03 [~~of this code~~] that is
22 subject to change under this section but is not expressly changed by
23 resolution of a sufficient number of eligible taxing units remains
24 in effect.

25 (h) [~~(g)~~] For purposes of this section, the conservation
26 and reclamation districts in an appraisal district are considered
27 to be entitled to vote on the appointment of appraisal district

1 directors if:

2 (1) a conservation and reclamation district has filed
3 a request to the chief appraiser to nominate and vote on directors
4 in the current year as provided by Section 6.03(c); or

5 (2) conservation and reclamation districts were
6 entitled to vote on the appointment of directors in the appraisal
7 district in the most recent year in which directors were appointed
8 under Section 6.03.

9 SECTION 3. Subchapter A, Chapter 6, Tax Code, is amended by
10 adding Section 6.032 to read as follows:

11 Sec. 6.032. BALLOT PROCEDURES FOR ELECTED DIRECTORS; FILING
12 FEE. (a) Except as provided by this section, Chapter 144, Election
13 Code, applies to a candidate for an elective position on an
14 appraisal district board of directors.

15 (b) An application for a place on the ballot must be filed
16 with the county judge of the county in which the appraisal district
17 is established and be accompanied by a filing fee of:

18 (1) \$750 for a county with a population of less than
19 200,000; or

20 (2) \$1,250 for a county with a population of 200,000 or
21 more.

22 (c) A candidate's name may appear on the ballot only as an
23 independent candidate.

24 (d) A filing fee received under this section shall be
25 deposited in the county treasury to the credit of the county general
26 fund.

27 SECTION 4. Section 6.033, Tax Code, is amended to read as

1 follows:

2 Sec. 6.033. RECALL OF APPOINTED DIRECTOR. (a) The
3 governing body of a taxing unit may call for the recall of a member
4 of the board of directors of an appraisal district appointed by the
5 taxing units participating in the district under Section 6.03 [~~of~~
6 ~~this code~~] for whom the unit cast any of its votes in the
7 appointment of the appointive board members. The call must be in
8 the form of a resolution, be filed with the chief appraiser of the
9 appraisal district, and state that the unit is calling for the
10 recall of the member. If a resolution calling for the recall of a
11 board member is filed under this subsection, the chief appraiser,
12 not later than the 10th day after the date of filing, shall deliver
13 a written notice of the filing of the resolution and the date of its
14 filing to the presiding officer of the governing body of each taxing
15 unit entitled to vote in the appointment of board members.

16 (b) On or before the 30th day after the date on which a
17 resolution calling for the recall of a member of the board appointed
18 by the taxing units participating in the district is filed, the
19 governing body of a taxing unit that cast any of its votes in the
20 appointment of the board for that member may vote to recall the
21 member by resolution submitted to the chief appraiser. Each taxing
22 unit is entitled to the same number of votes in the recall as it cast
23 for that member in the member's appointment to [~~of~~] the board. The
24 governing body of the taxing unit calling for the recall may cast
25 its votes in favor of the recall in the same resolution in which it
26 called for the recall.

27 (c) Not later than the 10th day after the last day provided

1 by this section for voting in favor of the recall, the chief
2 appraiser shall count the votes cast in favor of the recall. If the
3 number of votes in favor of the recall equals or exceeds a majority
4 of the votes cast for the member in the member's appointment to [~~of~~]
5 the board, the member is recalled and ceases to be a member of the
6 board. The chief appraiser shall immediately notify in writing the
7 presiding officer of the appraisal district board of directors and
8 of the governing body of each taxing unit that voted in the recall
9 election of the outcome of the recall election. If the presiding
10 officer of the appraisal district board of directors is the member
11 whose recall was voted on, the chief appraiser shall also notify the
12 secretary of the appraisal district board of directors of the
13 outcome of the recall election.

14 (d) If a vacancy occurs on the board of directors after the
15 recall of a member of the board under this section, the taxing units
16 that were entitled to vote in the recall election shall appoint a
17 new board member to the vacancy. Each taxing unit is entitled to
18 the same number of votes as it originally cast to appoint the
19 recalled board member. Each taxing unit entitled to vote may
20 nominate one candidate by resolution adopted by its governing body.
21 The presiding officer of the governing body of the unit shall submit
22 the name of the unit's nominee to the chief appraiser on or before
23 the 30th day after the date it receives notification from the chief
24 appraiser of the result of the recall election. On or before the
25 15th day after the last day provided for a nomination to be
26 submitted, the chief appraiser shall prepare a ballot, listing the
27 candidates nominated alphabetically according to each candidate's

1 surname, and shall deliver a copy of the ballot to the presiding
2 officer of the governing body of each taxing unit that is entitled
3 to vote. On or before the 15th day after the date on which a taxing
4 unit's ballot is delivered, the governing body of the taxing unit
5 shall determine its vote by resolution and submit it to the chief
6 appraiser. On or before the 15th day after the last day on which a
7 taxing unit may vote, the chief appraiser shall count the votes,
8 declare the candidate who received the largest vote total
9 appointed, and submit the results to the presiding officer of the
10 governing body of the appraisal district and of each taxing unit in
11 the district and to the candidates. The chief appraiser shall
12 resolve a tie vote by any method of chance.

13 (e) If the members appointed by the taxing units
14 participating in the district to the board of directors of an
15 appraisal district are [~~is~~] appointed by a method or procedure
16 adopted under Section 6.031 [~~of this code~~], the governing bodies of
17 the taxing units that voted for or otherwise participated in the
18 appointment of a member of the board may recall that member and
19 appoint a new member to the vacancy by any method adopted by
20 resolution of a majority of those governing bodies. If the
21 appointment was by election by the taxing units participating in
22 the district, the method of recall and of appointing a new member to
23 the vacancy is not valid unless it provides that each taxing unit is
24 entitled to the same number of votes in the recall and in the
25 appointment to fill the vacancy as the unit [~~it~~] originally cast for
26 the member being recalled.

27 SECTION 5. Section 6.036(a), Tax Code, is amended to read as

1 follows:

2 (a) An individual is not eligible to be a candidate for, to
3 be appointed to, or to serve on the board of directors of an
4 appraisal district if the individual or a business entity in which
5 the individual has a substantial interest is a party to a contract
6 with:

7 (1) the appraisal district; or

8 (2) a taxing unit that participates in the appraisal
9 district, if the contract relates to the performance of an activity
10 governed by this title.

11 SECTION 6. Section 6.037, Tax Code, is amended to read as
12 follows:

13 Sec. 6.037. PARTICIPATION OF CONSERVATION AND RECLAMATION
14 DISTRICTS IN APPRAISAL DISTRICT MATTERS. In this title, a
15 reference to the taxing units entitled to vote on the appointment of
16 appraisal district board members includes the conservation and
17 reclamation districts participating in the appraisal district,
18 without regard to whether the conservation and reclamation
19 districts are currently entitled to do so under Section 6.03(c). In
20 a provision of this title other than Section 6.03 or 6.031 that
21 grants authority to a majority or other number of the taxing units
22 entitled to vote on the appointment of appraisal district
23 directors, including the disapproval of the appraisal district
24 budget under Section 6.06 [~~and the disapproval of appraisal~~
25 ~~district board actions under Section 6.10~~], the conservation and
26 reclamation districts participating in the appraisal district are
27 given the vote or authority of one taxing unit. That vote or

1 authority is considered exercised only if a majority of the
2 conservation and reclamation districts take the same action to
3 exercise that vote or authority. Otherwise, the conservation and
4 reclamation districts are treated in the same manner as a single
5 taxing unit that is entitled to act but does not take any action on
6 the matter.

7 SECTION 7. Section 52.092, Election Code, is amended by
8 adding Subsection (k) to read as follows:

9 (k) The secretary of state shall prescribe procedures for
10 listing the office of appraisal district director on the ballot.

11 SECTION 8. Sections 6.034 and 6.10, Tax Code, are repealed.

12 SECTION 9. (a) The appropriate number of appraisal
13 district directors holding elective positions shall be elected in
14 each appraisal district as provided by Section 6.03, Tax Code, as
15 amended by this Act, and Section 6.032, Tax Code, as added by this
16 Act, beginning with the general election for state and county
17 officers conducted in 2014. Members then elected take office
18 January 1, 2015.

19 (b) The change in law made by this Act does not affect the
20 selection of appraisal district directors serving before January 1,
21 2015.

22 (c) A director of an appraisal district that has adopted
23 staggered terms for directors under Section 6.034, Tax Code, who is
24 appointed to a term that begins on January 1, 2015, serves a
25 one-year term.

26 SECTION 10. (a) Except as provided by Subsection (b) of
27 this section, this Act takes effect January 1, 2015.

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1 (b) This section and Sections 7 and 9 of this Act take effect
2 September 1, 2013.