

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 13, 2013

TO: Honorable Tommy Williams, Chair, Senate Committee on Finance

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2224 by Hilderbran (Relating to the qualifications of the chief appraiser of an appraisal district.), **As Engrossed**

No fiscal implication to the State is anticipated.

This bill would amend Chapter 1151 of the Occupations Code, regarding property tax professional certification, to require the Texas Commission of Licensing and Regulation to require by rule a registered professional appraiser who is a chief appraiser to complete:

- 1) at least half of the required hours in a program devoted to one or more of certain specified topics, and
- 2) at least two of the required hours in a program of professional chief appraiser ethics, including a program on the importance of maintaining the independence of the appraisal office from political pressure.

The bill would also amend Section 6.05 of the Tax Code, regarding an appraisal office, to prohibit a chief appraiser from performing an action authorized or required by law to be performed by a chief appraiser unless the chief appraiser is certified as a registered professional appraiser or, if it is not later than the fifth anniversary of the date the person became chief appraiser, possesses specified professional designations. In a county with a population of 100,000 or less, if a chief appraiser is not eligible to serve as chief appraiser but is registered with the Texas Department of Licensing and Regulation and classified as a Class III appraiser, the bill would allow these chief appraisers to continue to serve as the chief appraiser until January 1, 2016.

A chief appraiser would have to notify the Comptroller in writing not later than January 1 of each year whether the chief appraiser is eligible to be appointed or serve as the chief appraiser.

The bill would add new Section 6.0501 to the Tax Code to require the Comptroller to appoint an eligible person to act as chief appraiser for an appraisal district whose chief appraiser is ineligible to serve. The bill would specify the length of service of the appointed acting chief appraiser under differing circumstances. The Comptroller would be required to determine the compensation of the appointed acting chief appraiser, and the appointed acting chief appraiser would determine the budget of the appraisal office, subject to the approval of the Comptroller. An appraisal district that does not appoint a new chief appraiser or contract with an appraisal district or taxing unit to perform the duties of the appraisal office by the first anniversary of the date that the Comptroller appoints a chief appraiser would be required to contract with an appraisal district or taxing unit or another approved appraisal entity to perform the duties of the chief appraiser, subject to the Comptroller's approval.

The bill would specify procedures for the professional certification, removal, and replacement of a chief appraiser but would not directly affect taxable property values, tax rates, collection rates, or any other variable which might affect the revenues of units of local governments or the state.

The bill would take effect on January 1, 2014.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 452 Department of Licensing and Regulation

LBB Staff: UP, SJS, CWS, KKR