

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**April 12, 2013**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2419** by Elkins (Relating to a pilot program authorizing an administrative district judge to appoint special magistrates to assist in hearing ad valorem tax protests.), **As Introduced**

**No fiscal implication to the State is anticipated.**

This bill would amend Chapter 41 and Chapter 6 of the Tax Code, regarding local appraisal review, and local administration of appraisal districts, to require a pilot program under which the local administrative district judge of Harris County is required to appoint as many special magistrates as the judge, with the advice of the appraisal district board of directors, determines appropriate to conduct hearings on property tax appraisal protests and to recommend determinations to the appraisal review board in a timely manner. The bill would specify procedures and requirements for the pilot program, and would specify procedures for determining the special magistrates' compensation, training, terms of office, qualifications, and other matters. Special magistrates would be prohibited from certain ex parte communications.

Special magistrates would serve as independent contractors to the appraisal district. The bill would require that the terms of office of Harris County appraisal review board members appointed under current law expire on December 31, 2013 and the initial term for the special magistrates would begin on January 1, 2014. The number of members of the appraisal review board would be reduced to five.

The bill would require the appraisal review board to determine the outcome of each protest by accepting or rejecting the recommendation of the special magistrate. If the magistrate's recommendation is not accepted, the appraisal review board may refer the matter to another special magistrate for rehearing or determine the protest by majority vote after delivering proper notice.

This proposed pilot program would only be implemented in a county with a population of 3.3 million or more (Harris County). Unless the pilot program is continued it would expire on December 31, 2017.

The bill would not 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 September 1, 2013.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** UP, KK, SD, SJS