

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

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

**May 10, 2013**

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

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

**IN RE:** SB1255 by Patrick (Relating to binding arbitration of an appraisal review board order determining a protest of an unequal appraisal of the owner's property.), **As Engrossed**

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| <b>No fiscal implication to the State is anticipated.</b> |
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The bill would amend Section 41A.01 of the Tax Code, to entitle certain property owners to binding arbitration on an appraisal review board order as an alternative to a district court appeal in instances in which the grounds of the protest is unequal appraisal. Current law allows binding arbitration only if the grounds of the protest is the property's appraised value.

The bill would amend Section 41A.06 of the Tax Code, to provide that an arbitrator must complete a training program on property tax law before conducting a hearing on an arbitration in which the grounds of the protest is unequal appraisal. The training program must emphasize the requirements regarding the equal and uniform appraisal of property, be at least four hours in length, and be approved by the Comptroller.

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.

This bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect 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