

AN ACT

relating to access to and fees associated with binding arbitration of appraisal review board orders.

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

SECTION 1. Section 41A.01, Tax Code, is amended to read as follows:

Sec. 41A.01. RIGHT OF APPEAL BY PROPERTY OWNER. As an alternative to filing an appeal under Section 42.01, a property owner is entitled to appeal through binding arbitration under this chapter an appraisal review board order determining a protest filed under Section 41.41(a)(1) or (2) concerning the appraised or market value of property if:

(1) the property qualifies as the owner's residence homestead under Section 11.13; or

(2) the appraised or market value, as applicable, of the property as determined by the order is \$3 [~~\$1~~] million or less.

SECTION 2. Section 41A.03(a), Tax Code, is amended to read as follows:

(a) To appeal an appraisal review board order under this chapter, a property owner must file with the appraisal district not later than the 45th day after the date the property owner receives notice of the order:

(1) a completed request for binding arbitration under this chapter in the form prescribed by Section 41A.04; and

1 (2) an arbitration deposit made payable to the
2 comptroller in the amount of:

3 (A) \$450, if the property qualifies as the
4 owner's residence homestead under Section 11.13 and the appraised
5 or market value, as applicable, of the property is \$500,000 or less,
6 as determined by the order;

7 (B) \$500, if the property qualifies as the
8 owner's residence homestead under Section 11.13 and the appraised
9 or market value, as applicable, of the property is more than
10 \$500,000, as determined by the order;

11 (C) \$500, if the property does not qualify as the
12 owner's residence homestead under Section 11.13 and the appraised
13 or market value, as applicable, of the property is \$1 million or
14 less, as determined by the order;

15 (D) \$800, if the property does not qualify as the
16 owner's residence homestead under Section 11.13 and the appraised
17 or market value, as applicable, of the property is more than \$1
18 million but not more than \$2 million, as determined by the order; or

19 (E) \$1,050, if the property does not qualify as
20 the owner's residence homestead under Section 11.13 and the
21 appraised or market value, as applicable, of the property is more
22 than \$2 million but not more than \$3 million, as determined by the
23 order [~~\$500~~].

24 SECTION 3. Section 41A.05(b), Tax Code, is amended to read
25 as follows:

26 (b) The comptroller may retain \$50 [~~an amount equal to 10~~
27 ~~percent~~] of the deposit to cover the comptroller's administrative

1 costs.

2 SECTION 4. Section 41A.06(b), Tax Code, is amended to read
3 as follows:

4 (b) To initially qualify to serve as an arbitrator under
5 this chapter, a person must:

6 (1) meet the following requirements, as applicable:

7 (A) be licensed as an attorney in this state; or

8 (B) have:

9 (i) completed at least 30 hours of training
10 in arbitration and alternative dispute resolution procedures from a
11 university, college, or legal or real estate trade association; and

12 (ii) been licensed or certified
13 continuously during the five years preceding the date the person
14 agrees to serve as an arbitrator as:

15 (a) a real estate broker or
16 salesperson under Chapter 1101, Occupations Code;

17 (b) a real estate appraiser under
18 Chapter 1103, Occupations Code; or

19 (c) a certified public accountant
20 under Chapter 901, Occupations Code; and

21 (2) agree to conduct an arbitration for a fee that is
22 not more than:

23 (A) \$400, if the property qualifies as the
24 owner's residence homestead under Section 11.13 and the appraised
25 or market value, as applicable, of the property is \$500,000 or less,
26 as determined by the order;

27 (B) \$450, if the property qualifies as the

1 owner's residence homestead under Section 11.13 and the appraised
2 or market value, as applicable, of the property is more than
3 \$500,000, as determined by the order;

4 (C) \$450, if the property does not qualify as the
5 owner's residence homestead under Section 11.13 and the appraised
6 or market value, as applicable, of the property is \$1 million or
7 less, as determined by the order;

8 (D) \$750, if the property does not qualify as the
9 owner's residence homestead under Section 11.13 and the appraised
10 or market value, as applicable, of the property is more than \$1
11 million but not more than \$2 million, as determined by the order; or

12 (E) \$1,000, if the property does not qualify as
13 the owner's residence homestead under Section 11.13 and the
14 appraised or market value, as applicable, of the property is more
15 than \$2 million but not more than \$3 million, as determined by the
16 order [~~90 percent of the amount of the arbitration deposit required~~
17 ~~by Section 41A.03].~~

18 SECTION 5. The change in law made by this Act applies only
19 to a request for binding arbitration under Chapter 41A, Tax Code,
20 that is filed on or after the effective date of this Act. A request
21 for binding arbitration under Chapter 41A, Tax Code, that is filed
22 before the effective date of this Act is governed by the law in
23 effect on the date the request is filed, and the former law is
24 continued in effect for that purpose.

25 SECTION 6. This Act takes effect on September 1, 2015.

S.B. No. 849

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 849 passed the Senate on April 23, 2015, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 849 passed the House on May 22, 2015, by the following vote: Yeas 138, Nays 1, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor