

By: Bettencourt

S.B. No. 1807

A BILL TO BE ENTITLED

AN ACT

relating to the system for appraising property for ad valorem tax purposes; 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), (b-1), 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 directors are appointed by the taxing units that participate in the district as provided by this section.

(a-1) The taxpayer liaison officer serves as a nonvoting director. 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 taxpayer liaison officer or a county assessor-collector who serves [~~serving~~] as a nonvoting director, must be a resident of the appraisal district and must have resided

1 in the district for at least two years immediately preceding the
2 date the individual takes office. To be eligible to be elected to
3 the board, an individual must be a resident of the county in which
4 the district is established. To be eligible to be appointed to the
5 board by the taxing units participating in the district, an
6 individual must be a member of the governing body or an elected
7 official of one of the appointing taxing units. [~~An individual who~~
8 ~~is otherwise eligible to serve on the board is not ineligible~~
9 ~~because of membership on the governing body of a taxing unit.~~] An
10 employee of a taxing unit that participates in the district is not
11 eligible to serve on the board as a member appointed by the taxing
12 units participating in the district unless the individual is also a
13 member of the governing body or an elected official of a taxing unit
14 that participates in the district.

15 (b) Members of the board of director, other than a taxpayer
16 liaison officer or a county assessor-collector who serves [~~serving~~]
17 as a nonvoting director, serve two-year terms. The terms of
18 directors elected at a general election begin on January 1 of
19 odd-numbered years. The terms of directors appointed by the taxing
20 units participating in the district begin [~~beginning~~] on January 1
21 of even-numbered years.

22 (b-1) Members of the board of directors, other than a
23 taxpayer liaison officer or a county assessor-collector who serves
24 as a nonvoting director, may not serve more than four consecutive
25 two-year terms.

26 (c) Members of the board of directors, other than a taxpayer
27 liaison officer or a county assessor-collector who serves [~~serving~~]

1 as a nonvoting director and other than the elected members, are
2 appointed by vote of the governing bodies of the incorporated
3 cities and towns, the school districts, the junior college
4 districts, and, if entitled to vote, the conservation and
5 reclamation districts that participate in the district and of the
6 county. A governing body may cast all its votes for one candidate
7 or distribute them among candidates for any number of
8 directorships. Conservation and reclamation districts are not
9 entitled to vote unless at least one conservation and reclamation
10 district in the district delivers to the chief appraiser a written
11 request to nominate and vote on the board of directors by June 1 of
12 each odd-numbered year. On receipt of a request, the chief
13 appraiser shall certify a list by June 15 of all eligible
14 conservation and reclamation districts that are imposing taxes and
15 that participate in the district.

16 (k) The governing body of each taxing unit entitled to vote
17 shall determine its vote by resolution and submit it to the chief
18 appraiser before December 15. The chief appraiser shall count the
19 votes, declare the five candidates who receive the largest
20 cumulative vote totals appointed [~~elected~~], and submit the results
21 before December 31 to the governing body of each taxing unit in the
22 district and to the candidates. For purposes of determining the
23 number of votes received by the candidates, the candidate receiving
24 the most votes of the conservation and reclamation district is
25 considered to have received all of the votes cast by conservation
26 and reclamation districts and the other candidates are considered
27 not to have received any votes of the conservation and reclamation

1 districts. The chief appraiser shall resolve a tie vote by any
2 method of chance.

3 (1) If a vacancy occurs in an appointive position on the
4 board of directors, other than a vacancy in the position held by a
5 taxpayer liaison officer or a county assessor-collector who serves
6 ~~[serving]~~ as a nonvoting director, each taxing unit that is
7 entitled to vote by this section may nominate by resolution adopted
8 by its governing body a candidate to fill the vacancy. The unit
9 shall submit the name of its nominee to the chief appraiser within
10 45 days after notification from the board of directors of the
11 existence of the vacancy, and the chief appraiser shall prepare and
12 deliver to the board of directors within the next five days a list
13 of the nominees. The board of directors shall appoint ~~[elect]~~ by
14 majority vote of its members one of the nominees to fill the
15 vacancy.

16 (m) If a vacancy occurs in an elective position on the board
17 of directors, the board of directors shall appoint by majority vote
18 of its members a person to fill the vacancy. A person appointed to
19 fill a vacancy in an elective position must have the qualifications
20 required of a director elected at a general election.

21 SECTION 2. Section 6.031, Tax Code, is amended to read as
22 follows:

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

24 (a) The board of directors of an appraisal district, by resolution
25 adopted and delivered to each taxing unit participating in the
26 district before May ~~[August]~~ 15, may increase the number of members
27 on the board of directors of the district to not more than 13 or ~~[7]~~

1 change the method or procedure for appointing the members appointed
2 by the taxing units participating in the district, or both, unless
3 the governing body of a taxing unit that is entitled to vote on the
4 appointment of board members adopts a resolution opposing the
5 change in the method or procedure for appointing those members~~[7]~~
6 and files it with the board of directors before June [~~September~~] 1.
7 If a change in the method or procedure for appointing those members
8 is rejected, the board shall notify, in writing, each taxing unit
9 participating in the district before June [~~September~~] 15.

10 (b) The taxing units participating in an appraisal district
11 may increase the number of members on the board of directors of the
12 district to not more than 13 or~~[7]~~ change the method or procedure
13 for appointing the members appointed by the taxing units
14 participating in the district, or both, if the governing bodies of
15 three-fourths of the taxing units that are entitled to vote on the
16 appointment of board members adopt resolutions providing for the
17 change. However, a change under this subsection in the method or
18 procedure for selecting members appointed by the taxing units
19 participating in the district is not valid if it reduces the voting
20 entitlement of one or more taxing units that do not adopt a
21 resolution proposing it to less than a majority of the voting
22 entitlement under Section 6.03 [~~of this code~~] or if it reduces the
23 voting entitlement of any taxing unit that does not adopt a
24 resolution proposing it to less than 50 percent of its voting
25 entitlement under Section 6.03 [~~of this code~~] and if that taxing
26 unit's allocation of the budget is not reduced to the same
27 proportional percentage amount, or if it expands the types of

1 taxing units that are entitled to vote on appointment of board
2 members.

3 (b-1) If an appraisal district increases the number of
4 members on the board of directors of the district or changes the
5 method or procedure for appointing the members appointed by the
6 taxing units participating in the district as provided by this
7 section, the board of directors by resolution shall provide for the
8 junior college districts that participate in the appraisal district
9 to collectively participate in the selection of those directors in
10 the same manner as the school district that imposes the lowest total
11 dollar amount of property taxes in the appraisal district among all
12 of the school districts with representation in the appraisal
13 district. A resolution adopted under this section is not subject to
14 rejection by a resolution opposing the change filed with the board
15 of directors by a taxing unit under Subsection (a).

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

21 (d) Before August 15 [~~October 5 of each year in which board~~
22 ~~members are appointed~~], the chief appraiser shall determine whether
23 a sufficient number of eligible taxing units have filed valid
24 resolutions proposing a change under Subsection (b) for the change
25 to take effect. The chief appraiser shall notify each taxing unit
26 participating in the district of each change that is adopted before
27 August 30 [~~October 10~~]. A change in the method or procedure for

1 selecting members appointed by the taxing units participating in
2 the district that is adopted takes effect on the date the chief
3 appraiser notifies the taxing units of the change. An increase in
4 the number of members of the board takes effect on January 1 of the
5 first year after the date the chief appraiser notifies the taxing
6 units of the increase.

7 (e) If the number of members of the board is increased under
8 this section, at least one-half of the number of additional
9 positions on the board must be elective positions filled in the
10 manner provided by Section 6.03. The board of directors by majority
11 vote of its members may increase the number of members to be elected
12 to more than the minimum number required by this subsection.

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

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

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

27 (1) a conservation and reclamation district has filed

1 a request to the chief appraiser to nominate and vote on directors
2 in the current year as provided by Section 6.03(c); or

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

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

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

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

16 (1) \$750 for a county with a population of less than
17 200,000 ; or

18 (2) \$1,250 for a county with a population of 200,000 or
19 more.

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

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

25 SECTION 4. Section 6.033, Tax Code, is amended to read as
26 follows:

27 Sec. 6.033. RECALL OF APPOINTED DIRECTOR. (a) The

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

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

25 (c) Not later than the 10th day after the last day provided
26 by this section for voting in favor of the recall, the chief
27 appraiser shall count the votes cast in favor of the recall. If the

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

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

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

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

25 SECTION 5. Section 6.036(a), Tax Code, is amended to read as
26 follows:

27 (a) An individual is not eligible to be a candidate for, to

1 be appointed to, or to serve on the board of directors of an
2 appraisal district if the individual or a business entity in which
3 the individual has a substantial interest is a party to a contract
4 with:

- 5 (1) the appraisal district; or
- 6 (2) a taxing unit that participates in the appraisal
7 district, if the contract relates to the performance of an activity
8 governed by this title.

9 SECTION 6. Section 6.037, Tax Code, is amended to read as
10 follows:

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

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

5 SECTION 7. Section 6.05(j), Tax Code, is amended to read as
6 follows:

7 (j) The board of directors of an appraisal district may
8 employ a general counsel to the board [~~district~~] to serve at the
9 will of the board. The general counsel shall provide counsel
10 directly to the board and perform other duties and responsibilities
11 as determined by the board. The general counsel is entitled to
12 compensation as provided by the budget adopted by the board. If the
13 board employs a general counsel under this subsection the board
14 shall, in the budget adopted by the board, provide for an amount
15 equal to the compensation paid to the general counsel employed by
16 the board that may be used to pay a general counsel employed by the
17 appraisal review board under Section 6.43(a).

18 SECTION 8. Sections 6.052(a) and (c), Tax Code, are amended
19 to read as follows:

20 (a) The board of directors of [~~for~~] an appraisal district
21 [~~created for a county with a population of more than 120,000~~] shall
22 appoint a taxpayer liaison officer who shall serve at the pleasure
23 of the board. The taxpayer liaison officer shall administer the
24 public access functions required by Sections 6.04(d), (e), and (f),
25 and is responsible for resolving disputes not involving matters
26 that may be protested under Section 41.41. In addition, the
27 taxpayer liaison officer is responsible for receiving, and

1 compiling a list of, comments and suggestions filed by the chief
2 appraiser, a property owner, or a property owner's agent concerning
3 the matters listed in Section 5.103(b) or any other matter related
4 to the fairness and efficiency of the appraisal review board
5 established for the appraisal district. The taxpayer liaison
6 officer shall forward to the comptroller comments and suggestions
7 filed under this subsection in the form and manner prescribed by the
8 comptroller.

9 (c) The taxpayer liaison officer shall report to the board
10 at each meeting on the status of all comments and suggestions filed
11 with the officer under Subsection (a) [~~of this section~~] and all
12 complaints filed with the board under Section 6.04(g). A taxpayer
13 liaison officer for an appraisal district described by Section
14 6.41(d-1) shall also make the report required by this subsection to
15 the local administrative district judge.

16 SECTION 9. Section 6.42(a), Tax Code, is amended to read as
17 follows:

18 (a) A majority of the appraisal review board constitutes a
19 quorum. The appraisal review board [~~of directors of the appraisal~~
20 ~~district~~] by resolution shall select a chairman and a secretary
21 from among its [~~the~~] members [~~of the appraisal review board~~]. The
22 appraisal review board [~~of directors of the appraisal district~~] is
23 encouraged to select as chairman [~~of the appraisal review board~~] a
24 member of the appraisal review board, if any, who has a background
25 in law and property appraisal.

26 SECTION 10. Section 52.092, Election Code, is amended by
27 adding Subsection (k) to read as follows:

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

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

5 SECTION 12. (a) The appropriate number of appraisal
6 district directors holding elective positions shall be elected in
7 each appraisal district as provided by Section 6.03, Tax Code, as
8 amended by this Act, and Section 6.032, Tax Code, as added by this
9 Act, beginning with the general election for state and county
10 officers conducted in 2016. Members then elected take office
11 January 1, 2017.

12 (b) The change in law made by this Act does not affect the
13 selection of appraisal district directors serving before January 1,
14 2017.

15 (c) A director of an appraisal district that has adopted
16 staggered terms for directors under Section 6.034, Tax Code, who is
17 appointed to a term that begins on January 1, 2017, serves a
18 one-year term.

19 SECTION 13. (a) Except as provided by Subsection (b) of
20 this section, this Act takes effect January 1, 2017.

21 (b) This section and Sections 10 and 12 of this Act take
22 effect September 1, 2015.