

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

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**April 20, 2015**

**TO:** Honorable Dennis Bonnen, Chair, House Committee on Ways & Means

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

**IN RE: HB3297** by Parker (Relating to pretrial settlement discussions during certain ad valorem tax appeals.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would add new Section 42.227 to the Tax Code, relating to pretrial settlement discussions, to provide that on motion of a property owner that is a party to an appeal for which a discovery request to designate one or more expert witnesses is made, the court is required to enter an order requiring the parties to engage in settlement discussions before the trial begins. The motion must be made not later than the 210th day before the date the discovery period in the appeal ends.

If a motion is made, the bill requires the court to order the settlement discussions be conducted not later than the 90th day after the date the motion is made. The court may provide in the order that settlement discussions be conducted in a specific manner, including as part of an informal settlement conference or another form of alternative dispute resolution.

Each party ordered to engage in settlement discussions must make a good faith effort to resolve the matter under appeal during the discussions.

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 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, 2015.

**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