

By: Metcalf

H.B. No. 174

A BILL TO BE ENTITLED

AN ACT

relating to the selection of the board of directors of an appraisal district; authorizing the imposition of a fee.

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

SECTION 1. Section 5.12(b), Tax Code, is amended to read as follows:

(b) At the written request of the governing bodies of a majority of the taxing units participating in an appraisal district ~~[or of a majority of the taxing units entitled to vote on the appointment of appraisal district directors]~~, the comptroller shall audit the performance of the appraisal district. The governing bodies may request a general audit of the performance of the appraisal district or may request an audit of only one or more particular duties, practices, functions, departments, or other appraisal district matters.

SECTION 2. Section 5.13(h), Tax Code, is amended to read as follows:

(h) At any time after the request for an audit is made, the comptroller may discontinue the audit in whole or in part if requested to do so by:

(1) the governing bodies of a majority of the taxing units participating in the district, if the audit was requested by a majority of those units; or

(2) the taxpayers who requested the audit, ~~[the~~

1 ~~governing bodies of a majority of the taxing units entitled to vote~~
2 ~~on the appointment of appraisal district directors, if the audit~~
3 ~~was requested by a majority of those units, or~~

4 ~~[(3)]~~ if the audit was requested under Section 5.12(c)
5 ~~[of this code, by the taxpayers who requested the audit].~~

6 SECTION 3. Section 6.03, Tax Code, is amended by amending
7 Subsections (a) and (l) and adding Subsections (a-1) and (m) to read
8 as follows:

9 (a) The appraisal district is governed by a board of
10 directors. One director is elected from each of the four
11 commissioners precincts in the county for which the appraisal
12 district is established and one director is elected at large from
13 the county. The ~~[Five directors are appointed by the taxing units~~
14 ~~that participate in the district as provided by this section. If~~
15 ~~the county assessor-collector is not appointed to the board, the]~~
16 county assessor-collector serves as a nonvoting director. The
17 county assessor-collector is ineligible to serve if the board
18 enters into a contract under Section 6.05(b) or if the
19 commissioners court of the county enters into a contract under
20 Section 6.24(b). The directors other than the county
21 assessor-collector are elected at the general election for state
22 and county officers and serve two-year terms beginning on January 1
23 of odd-numbered years.

24 (a-1) To be eligible to serve on the board of directors, an
25 individual other than the ~~[a]~~ county assessor-collector ~~[serving as~~
26 ~~a nonvoting director]~~ must:

27 (1) be a resident of:

1 (A) the commissioners precinct from which the
2 office is elected, in the case of a director elected from a
3 commissioners precinct; or

4 (B) the county for which the appraisal district
5 is established, in the case of a director elected at large;
6 ~~[district]~~ and

7 (2) ~~[must]~~ have resided in the appraisal district for
8 at least two years immediately preceding the date the individual
9 takes office. ~~[An individual who is otherwise eligible to serve on~~
10 ~~the board is not ineligible because of membership on the governing~~
11 ~~body of a taxing unit. An employee of a taxing unit that~~
12 ~~participates in the district is not eligible to serve on the board~~
13 ~~unless the individual is also a member of the governing body or an~~
14 ~~elected official of a taxing unit that participates in the~~
15 ~~district.]~~

16 (1) A ~~[If a]~~ vacancy ~~[occurs]~~ on the board of directors
17 other than a vacancy in the position held by the ~~[a]~~ county
18 assessor-collector is filled for the remainder of the unexpired
19 term by appointment by the commissioners court of the county for
20 which the appraisal district is established. A person appointed to
21 fill a vacancy on the board of directors must meet the
22 qualifications of the vacated position ~~[serving as a nonvoting~~
23 ~~director, each taxing unit that is entitled to vote by this section~~
24 ~~may nominate by resolution adopted by its governing body a~~
25 ~~candidate to fill the vacancy. The unit shall submit the name of~~
26 ~~its nominee to the chief appraiser within 45 days after~~
27 ~~notification from the board of directors of the existence of the~~

1 ~~vacancy, and the chief appraiser shall prepare and deliver to the~~
2 ~~board of directors within the next five days a list of the nominees.~~
3 ~~The board of directors shall elect by majority vote of its members~~
4 ~~one of the nominees to fill the vacancy].~~

5 (m) If as a result of a change in the boundaries of a
6 commissioners precinct an individual serving as a director no
7 longer resides in the precinct from which the office is elected, the
8 individual is not for that reason disqualified from office during
9 the remainder of the term of office being served at the time the
10 boundary change takes effect. If as a result of a change in the
11 boundaries of a commissioners precinct an individual elected as a
12 director before the boundary change to a term that begins after the
13 boundary change no longer resides in the precinct from which
14 elected, the individual is not for that reason disqualified from
15 serving the term to which elected.

16 SECTION 4. Section 6.036(a), Tax Code, is amended to read as
17 follows:

18 (a) An individual is not eligible to be a candidate for, to
19 be appointed to, or to serve on the board of directors of an
20 appraisal district if the individual or a business entity in which
21 the individual has a substantial interest is a party to a contract
22 with:

- 23 (1) the appraisal district; or
24 (2) a taxing unit that participates in the appraisal
25 district, if the contract relates to the performance of an activity
26 governed by this title.

27 SECTION 5. Section 6.051(b), Tax Code, is amended to read as

1 follows:

2 (b) The acquisition or conveyance of real property or the
3 construction or renovation of a building or other improvement by an
4 appraisal district must be approved by the governing bodies of
5 three-fourths of the taxing units that participate in the district
6 [~~entitled to vote on the appointment of board members~~]. The board
7 of directors by resolution may propose a property transaction or
8 other action for which this subsection requires approval of the
9 taxing units. The chief appraiser shall notify the presiding
10 officer of each governing body entitled to vote on the approval of
11 the proposal by delivering a copy of the board's resolution,
12 together with information showing the costs of other available
13 alternatives to the proposal. On or before the 30th day after the
14 date the presiding officer receives notice of the proposal, the
15 governing body of a taxing unit by resolution may approve or
16 disapprove the proposal. If a governing body fails to act on or
17 before that 30th day or fails to file its resolution with the chief
18 appraiser on or before the 10th day after that 30th day, the
19 proposal is treated as if it were disapproved by the governing body.

20 SECTION 6. Sections 6.06(a), (b), and (i), Tax Code, are
21 amended to read as follows:

22 (a) Each year the chief appraiser shall prepare a proposed
23 budget for the operations of the district for the following tax year
24 and shall submit copies to each taxing unit participating in the
25 district and to the district board of directors before June 15. The
26 chief appraiser [~~He~~] shall include in the budget a list showing each
27 proposed position, the proposed salary for the position, all

1 benefits proposed for the position, each proposed capital
2 expenditure, and an estimate of the amount of the budget that will
3 be allocated to each taxing unit. Each taxing unit that
4 participates in the district [~~entitled to vote on the appointment~~
5 ~~of board members~~] shall maintain a copy of the proposed budget for
6 public inspection at its principal administrative office.

7 (b) The board of directors shall hold a public hearing to
8 consider the budget. The secretary of the board shall deliver to
9 the presiding officer of the governing body of each taxing unit
10 participating in the district not later than the 10th day before the
11 date of the hearing a written notice of the date, time, and place
12 fixed for the hearing. The board shall complete its hearings, make
13 any amendments to the proposed budget it desires, and finally
14 approve a budget before September 15. If governing bodies of a
15 majority of the taxing units participating in the district
16 [~~entitled to vote on the appointment of board members~~] adopt
17 resolutions disapproving a budget and file them with the secretary
18 of the board within 30 days after its adoption, the budget does not
19 take effect, and the board shall adopt a new budget within 30 days
20 of the disapproval.

21 (i) The fiscal year of an appraisal district is the calendar
22 year unless the governing bodies of three-fourths of the taxing
23 units participating in the district [~~entitled to vote on the~~
24 ~~appointment of board members~~] adopt resolutions proposing a
25 different fiscal year and file them with the secretary of the board
26 not more than 12 and not less than eight months before the first day
27 of the fiscal year proposed by the resolutions. If the fiscal year

1 of an appraisal district is changed under this subsection, the
2 chief appraiser shall prepare a proposed budget for the fiscal year
3 as provided by Subsection (a) [~~of this section~~] before the 15th day
4 of the seventh month preceding the first day of the fiscal year
5 established by the change, and the board of directors shall adopt a
6 budget for the fiscal year as provided by Subsection (b) [~~of this~~
7 ~~section~~] before the 15th day of the fourth month preceding the first
8 day of the fiscal year established by the change. Unless the
9 appraisal district adopts a different method of allocation under
10 Section 6.061 [~~of this code~~], the allocation of the budget to each
11 taxing unit shall be calculated as provided by Subsection (d) [~~of~~
12 ~~this section~~] using the amount of property taxes imposed by each
13 participating taxing unit in the most recent tax year preceding the
14 fiscal year established by the change for which the necessary
15 information is available. Each taxing unit shall pay its
16 allocation as provided by Subsection (e) [~~of this section~~], except
17 that the first payment shall be made before the first day of the
18 fiscal year established by the change and subsequent payments shall
19 be made quarterly. In the year in which a change in the fiscal year
20 occurs, the budget that takes effect on January 1 of that year may
21 be amended as necessary as provided by Subsection (c) [~~of this~~
22 ~~section~~] in order to accomplish the change in fiscal years.

23 SECTION 7. Sections 6.061(b) and (e), Tax Code, are amended
24 to read as follows:

25 (b) The taxing units participating in an appraisal district
26 may adopt a different method of allocating the costs of operating
27 the district if the governing bodies of three-fourths of the taxing

1 units that participate in the district [~~are entitled to vote on the~~
2 ~~appointment of board members~~] adopt resolutions providing for the
3 other method. However, a change under this subsection is not valid
4 if it requires any taxing unit to pay a greater proportion of the
5 appraisal district's costs than the unit would pay under Section
6 6.06 [~~of this code~~] without the consent of the governing body of
7 that unit.

8 (e) A change in allocation of district costs made as
9 provided by this section remains in effect until changed in a manner
10 provided by this section or rescinded by resolution of a majority of
11 the governing bodies of the taxing units that participate in the
12 district [~~that are entitled to vote on appointment of board members~~
13 ~~under Section 6.03 of this code~~].

14 SECTION 8. Section 6.063(b), Tax Code, is amended to read as
15 follows:

16 (b) The report of the audit is a public record. A copy of
17 the report shall be delivered to the presiding officer of the
18 governing body of each taxing unit that participates in the
19 district [~~eligible to vote on the appointment of district~~
20 ~~directors~~], and a reasonable number of copies shall be available
21 for inspection at the appraisal office.

22 SECTION 9. Section 6.15(c), Tax Code, is amended to read as
23 follows:

24 (c) Subsections (a) and (b) do not apply to a routine
25 communication between the chief appraiser and the county
26 assessor-collector that relates to the administration of an
27 appraisal roll, including a communication made in connection with

1 the certification, correction, or collection of an account,
2 regardless of whether the county assessor-collector serves on [~~was~~
3 ~~appointed to~~] the board of directors of the appraisal district [~~or~~
4 ~~serves as a nonvoting director~~].

5 SECTION 10. Section 172.024(a), Election Code, is amended
6 to read as follows:

7 (a) The filing fee for a candidate for nomination in the
8 general primary election is as follows:

- 9 (1) United States senator \$5,000
- 10 (2) office elected statewide, except United States
11 senator 3,750
- 12 (3) United States representative 3,125
- 13 (4) state senator 1,250
- 14 (5) state representative 750
- 15 (6) member, State Board of Education 300
- 16 (7) chief justice or justice, court of appeals, other
17 than a justice specified by Subdivision (8) 1,875
- 18 (8) chief justice or justice of a court of appeals that
19 serves a court of appeals district in which a county with a
20 population of more than one million is wholly or partly
21 situated 2,500
- 22 (9) district judge or judge specified by Section
23 52.092(d) for which this schedule does not otherwise prescribe a
24 fee 1,500
- 25 (10) district or criminal district judge of a court in
26 a judicial district wholly contained in a county with a population
27 of more than 1.5 million 2,500

1	(11) judge, statutory county court, other than a judge	
2	specified by Subdivision (12)	1,500
3	(12) judge of a statutory county court in a county with	
4	a population of more than 1.5 million	2,500
5	(13) district attorney, criminal district attorney,	
6	or county attorney performing the duties of a district	
7	attorney	1,250
8	(14) county commissioner, district clerk, county	
9	clerk, sheriff, county tax assessor-collector, county treasurer,	
10	or judge, constitutional county court:	
11	(A) county with a population of 200,000 or	
12	more	1,250
13	(B) county with a population of under	
14	200,000	750
15	(15) justice of the peace or constable:	
16	(A) county with a population of 200,000 or	
17	more	1,000
18	(B) county with a population of under	
19	200,000	375
20	(16) county surveyor	75
21	(17) office of the county government for which this	
22	schedule does not otherwise prescribe a fee	750
23	<u>(18) office of appraisal district director:</u>	
24	<u>(A) county with a population of 200,000 or</u>	
25	<u>more</u>	<u>1,250</u>
26	<u>(B) county with a population of under</u>	
27	<u>200,000</u>	<u>750</u>

1 SECTION 11. The following provisions of the Tax Code are
2 repealed:

3 (1) Sections 6.03(b), (c), (d), (e), (f), (g), (h),
4 (i), (j), and (k);

5 (2) Section 6.031;

6 (3) Section 6.033;

7 (4) Section 6.034;

8 (5) Section 6.037; and

9 (6) Section 6.10.

10 SECTION 12. (a) Appraisal district directors shall be
11 elected as provided by Section 6.03, Tax Code, as amended by this
12 Act, beginning with the primary and general elections conducted in
13 2018. Members then elected take office January 1, 2019.

14 (b) The change in the manner of selection of appraisal
15 district directors made by this Act does not affect the selection of
16 directors who serve on the board before January 1, 2019.

17 (c) The term of an appraisal district director serving on
18 December 31, 2018, expires on January 1, 2019.

19 SECTION 13. (a) Except as otherwise provided by this
20 section, this Act takes effect January 1, 2019.

21 (b) This section and Sections 10 and 12 of this Act take
22 effect December 1, 2017.