

1-1 By: Bettencourt S.B. No. 731
 1-2 (In the Senate - Filed February 3, 2017; February 21, 2017,
 1-3 read first time and referred to Committee on Finance;
 1-4 March 16, 2017, reported favorably by the following vote: Yeas 14,
 1-5 Nays 0; March 16, 2017, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Nelson	X			
1-8 Hinojosa	X			
1-9 Bettencourt	X			
1-10 Birdwell	X			
1-11 Hancock	X			
1-12 Huffman	X			
1-13 Kolthorst	X			
1-14 Nichols	X			
1-15 Schwertner	X			
1-16 Seliger	X			
1-17 Taylor of Galveston	X			
1-18 Uresti	X			
1-19 Watson	X			
1-20 West	X			
1-21 Whitmire			X	

1-23 A BILL TO BE ENTITLED
 1-24 AN ACT

1-25 relating to the appeal through binding arbitration of certain
 1-26 appraisal review board orders.

1-27 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-28 SECTION 1. Section 41A.01, Tax Code, is amended to read as
 1-29 follows:

1-30 Sec. 41A.01. RIGHT OF APPEAL BY PROPERTY OWNER. As an
 1-31 alternative to filing an appeal under Section 42.01, a property
 1-32 owner is entitled to appeal through binding arbitration under this
 1-33 chapter an appraisal review board order determining a protest filed
 1-34 under Section 41.41(a)(1) or (2) concerning the appraised or market
 1-35 value of property if:

1-36 (1) the property qualifies as the owner's residence
 1-37 homestead under Section 11.13; or

1-38 (2) the appraised or market value, as applicable, of
 1-39 the property as determined by the order is \$5 [~~\$3~~] million or less.

1-40 SECTION 2. Section 41A.03(a), Tax Code, is amended to read
 1-41 as follows:

1-42 (a) To appeal an appraisal review board order under this
 1-43 chapter, a property owner must file with the appraisal district not
 1-44 later than the 45th day after the date the property owner receives
 1-45 notice of the order:

1-46 (1) a completed request for binding arbitration under
 1-47 this chapter in the form prescribed by Section 41A.04; and

1-48 (2) an arbitration deposit made payable to the
 1-49 comptroller in the amount of:

1-50 (A) \$450, if the property qualifies as the
 1-51 owner's residence homestead under Section 11.13 and the appraised
 1-52 or market value, as applicable, of the property is \$500,000 or less,
 1-53 as determined by the order;

1-54 (B) \$500, if the property qualifies as the
 1-55 owner's residence homestead under Section 11.13 and the appraised
 1-56 or market value, as applicable, of the property is more than
 1-57 \$500,000, as determined by the order;

1-58 (C) \$500, if the property does not qualify as the
 1-59 owner's residence homestead under Section 11.13 and the appraised
 1-60 or market value, as applicable, of the property is \$1 million or
 1-61 less, as determined by the order;

2-1 (D) \$800, if the property does not qualify as the
 2-2 owner's residence homestead under Section 11.13 and the appraised
 2-3 or market value, as applicable, of the property is more than \$1
 2-4 million but not more than \$2 million, as determined by the order;
 2-5 [~~or~~]

2-6 (E) \$1,050, if the property does not qualify as
 2-7 the owner's residence homestead under Section 11.13 and the
 2-8 appraised or market value, as applicable, of the property is more
 2-9 than \$2 million but not more than \$3 million, as determined by the
 2-10 order; or

2-11 (F) \$1,550, if the property does not qualify as
 2-12 the owner's residence homestead under Section 11.13 and the
 2-13 appraised or market value, as applicable, of the property is more
 2-14 than \$3 million but not more than \$5 million, as determined by the
 2-15 order.

2-16 SECTION 3. Section 41A.06(b), Tax Code, is amended to read
 2-17 as follows:

2-18 (b) To initially qualify to serve as an arbitrator under
 2-19 this chapter, a person must:

2-20 (1) meet the following requirements, as applicable:

2-21 (A) be licensed as an attorney in this state; or

2-22 (B) have:

2-23 (i) completed at least 30 hours of training
 2-24 in arbitration and alternative dispute resolution procedures from a
 2-25 university, college, or legal or real estate trade association; and

2-26 (ii) been licensed or certified
 2-27 continuously during the five years preceding the date the person
 2-28 agrees to serve as an arbitrator as:

2-29 (a) a real estate broker or sales
 2-30 agent [~~salesperson~~] under Chapter 1101, Occupations Code;

2-31 (b) a real estate appraiser under
 2-32 Chapter 1103, Occupations Code; or

2-33 (c) a certified public accountant
 2-34 under Chapter 901, Occupations Code; and

2-35 (2) agree to conduct an arbitration for a fee that is
 2-36 not more than:

2-37 (A) \$400, if the property qualifies as the
 2-38 owner's residence homestead under Section 11.13 and the appraised
 2-39 or market value, as applicable, of the property is \$500,000 or less,
 2-40 as determined by the order;

2-41 (B) \$450, if the property qualifies as the
 2-42 owner's residence homestead under Section 11.13 and the appraised
 2-43 or market value, as applicable, of the property is more than
 2-44 \$500,000, as determined by the order;

2-45 (C) \$450, if the property does not qualify as the
 2-46 owner's residence homestead under Section 11.13 and the appraised
 2-47 or market value, as applicable, of the property is \$1 million or
 2-48 less, as determined by the order;

2-49 (D) \$750, if the property does not qualify as the
 2-50 owner's residence homestead under Section 11.13 and the appraised
 2-51 or market value, as applicable, of the property is more than \$1
 2-52 million but not more than \$2 million, as determined by the order;
 2-53 [~~or~~]

2-54 (E) \$1,000, if the property does not qualify as
 2-55 the owner's residence homestead under Section 11.13 and the
 2-56 appraised or market value, as applicable, of the property is more
 2-57 than \$2 million but not more than \$3 million, as determined by the
 2-58 order; or

2-59 (F) \$1,500, if the property does not qualify as
 2-60 the owner's residence homestead under Section 11.13 and the
 2-61 appraised or market value, as applicable, of the property is more
 2-62 than \$3 million but not more than \$5 million, as determined by the
 2-63 order.

2-64 SECTION 4. The changes in law made by this Act apply only to
 2-65 a request for binding arbitration under Chapter 41A, Tax Code, that
 2-66 is filed on or after the effective date of this Act. A request for
 2-67 binding arbitration under Chapter 41A, Tax Code, that is filed
 2-68 before the effective date of this Act is governed by the law in
 2-69 effect on the date the request is filed, and the former law is

3-1 continued in effect for that purpose.

3-2 SECTION 5. This Act takes effect September 1, 2017.

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