

## **BILL ANALYSIS**

S.B. 1876  
By: Fallon  
Ways & Means  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Property owners meeting certain criteria may request binding arbitration as an alternative method for appealing a property valuation determined by an appraisal review board. It has been reported that binding arbitration requests submitted by property owners who seek to appeal the valuation of two or more contiguous tracts of land which comprise a single economic unit, but which are not uniformly classified as the same property type, are being dismissed due to differing interpretations of what constitutes noncontiguous tracts of land. S.B. 1876 seeks to address this issue by providing a clearer interpretation of noncontiguous for purposes of binding arbitration.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

S.B. 1876 amends the Tax Code to prohibit tracts of land from being considered as noncontiguous, for the purposes of the requisite deposit for binding arbitration to appeal an appraisal review board order, on the basis of the classifications of the tracts of land, provided that the tracts of land constitute the same economic unit.

### **EFFECTIVE DATE**

September 1, 2019.