

By: Hefner

H.B. No. 2750

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 6.03, Tax Code, is amended by amending Subsections (a), (b), (c), (k), and (l) and adding Subsections (a-1), (a-2), and (m) to read as follows:

(a) The appraisal district is governed by a board of five directors. One director is elected at the general election for state and county officers by the voters of the county in which the district is established, and four [~~Five~~] directors are appointed by the taxing units that participate in the district as provided by this section.

(a-1) 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 county assessor-collector serving as a nonvoting director, must be a resident of the appraisal district and must have resided in the district for at least two years immediately preceding the date the individual takes office. To be

1 eligible to be elected to the board, an individual must be a
2 resident of the county in which the district is established. An
3 individual who is otherwise eligible to serve on the board as a
4 member appointed by the taxing units participating in the district
5 is not ineligible because of membership on the governing body of a
6 taxing unit. An employee of a taxing unit that participates in the
7 district is not eligible to serve on the board as a member appointed
8 by the taxing units participating in the district unless the
9 individual is also a member of the governing body or an elected
10 official of a taxing unit that participates in the district.

11 (b) Members of the board of directors, other than a county
12 assessor-collector serving as a nonvoting director, serve two-year
13 terms. The terms of directors elected at a general election begin
14 on January 1 of odd-numbered years. The terms of directors
15 appointed by the taxing units begin [~~beginning~~] on January 1 of
16 even-numbered years.

17 (c) Members of the board of directors, other than a county
18 assessor-collector serving as a nonvoting director and other than
19 the elected members, are appointed by vote of the governing bodies
20 of the incorporated cities and towns, the school districts, the
21 junior college districts, and, if entitled to vote, the
22 conservation and reclamation districts that participate in the
23 district and of the county. A governing body may cast all its votes
24 for one candidate or distribute them among candidates for any
25 number of directorships. Conservation and reclamation districts
26 are not entitled to vote unless at least one conservation and
27 reclamation district in the district delivers to the chief

1 appraiser a written request to nominate and vote on the board of
2 directors by June 1 of each odd-numbered year. On receipt of a
3 request, the chief appraiser shall certify a list by June 15 of all
4 eligible conservation and reclamation districts that are imposing
5 taxes and that participate in the district.

6 (k) The governing body of each taxing unit entitled to vote
7 shall determine its vote by resolution and submit it to the chief
8 appraiser before December 15. The chief appraiser shall count the
9 votes, declare the four [~~five~~] candidates who receive the largest
10 cumulative vote totals appointed [~~elected~~], and submit the results
11 before December 31 to the governing body of each taxing unit in the
12 district and to the candidates. For purposes of determining the
13 number of votes received by the candidates, the candidate receiving
14 the most votes of the conservation and reclamation districts is
15 considered to have received all of the votes cast by conservation
16 and reclamation districts and the other candidates are considered
17 not to have received any votes of the conservation and reclamation
18 districts. The chief appraiser shall resolve a tie vote by any
19 method of chance.

20 (l) If a vacancy occurs in an appointive position on the
21 board of directors, other than a vacancy in the position held by a
22 county assessor-collector serving as a nonvoting director, each
23 taxing unit that is entitled to vote by this section may nominate by
24 resolution adopted by its governing body a candidate to fill the
25 vacancy. The taxing unit shall submit the name of its nominee to
26 the chief appraiser within 45 days after notification from the
27 board of directors of the existence of the vacancy, and the chief

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

5 (m) If a vacancy occurs in an elective position on the board
6 of directors, the board of directors shall appoint by majority vote
7 of its members a person to fill the vacancy. A person appointed to
8 fill a vacancy in an elective position must have the qualifications
9 required of a director elected at a general election.

10 SECTION 2. Section 6.031, Tax Code, is amended to read as
11 follows:

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

13 (a) The board of directors of an appraisal district, by resolution
14 adopted and delivered to each taxing unit participating in the
15 district before May [~~August~~] 15, may increase the number of members
16 on the board of directors of the district to not more than 13,
17 change the method or procedure for appointing the members appointed
18 by the taxing units participating in the district, or both, unless
19 the governing body of a taxing unit that is entitled to vote on the
20 appointment of board members adopts a resolution opposing the
21 change in the method or procedure for appointing those members [~~7~~]
22 and files it with the board of directors before June [~~September~~] 1.
23 If a change in the method or procedure for appointing those members
24 is rejected, the board shall notify, in writing, each taxing unit
25 participating in the district before June [~~September~~] 15.

26 (b) The taxing units participating in an appraisal district
27 may increase the number of members on the board of directors of the

1 district to not more than 13, change the method or procedure for
2 appointing the members appointed by the taxing units participating
3 in the district, or both, if the governing bodies of three-fourths
4 of the taxing units that are entitled to vote on the appointment of
5 board members adopt resolutions providing for the change. However,
6 a change under this subsection in the method or procedure for
7 selecting members appointed by the taxing units participating in
8 the district is not valid if it reduces the voting entitlement of
9 one or more taxing units that do not adopt a resolution proposing it
10 to less than a majority of the voting entitlement under Section 6.03
11 [~~of this code~~] or if it reduces the voting entitlement of any taxing
12 unit that does not adopt a resolution proposing it to less than 50
13 percent of its voting entitlement under Section 6.03 [~~of this code~~]
14 and if that taxing unit's allocation of the budget is not reduced to
15 the same proportional percentage amount, or if it expands the types
16 of taxing units that are entitled to vote on appointment of board
17 members.

18 (b-1) If an appraisal district increases the number of
19 members on the board of directors of the district or changes the
20 method or procedure for appointing the members appointed by the
21 taxing units participating in the district as provided by this
22 section, the board of directors by resolution shall provide for the
23 junior college districts that participate in the appraisal district
24 to collectively participate in the selection of those directors in
25 the same manner as the school district that imposes the lowest total
26 dollar amount of property taxes in the appraisal district among all
27 of the school districts with representation in the appraisal

1 district. A resolution adopted under this section is not subject
2 to rejection by a resolution opposing the change filed with the
3 board of directors by a taxing unit under Subsection (a).

4 (c) An official copy of a resolution under Subsection (b)
5 [~~this section~~] must be filed with the chief appraiser of the
6 appraisal district after May [~~June~~] 30 and before August [~~October~~]
7 1 [~~of a year in which board members are appointed~~] or the resolution
8 is ineffective.

9 (d) Before August 15 [~~October 5 of each year in which board~~
10 ~~members are appointed~~], the chief appraiser shall determine whether
11 a sufficient number of eligible taxing units have filed valid
12 resolutions proposing a change under Subsection (b) for the change
13 to take effect. The chief appraiser shall notify each taxing unit
14 participating in the district of each change that is adopted before
15 August 30 [~~October 10~~]. A change in the method or procedure for
16 selecting members appointed by the taxing units participating in
17 the district that is adopted takes effect on the date the chief
18 appraiser notifies the taxing units of the change. An increase in
19 the number of members of the board takes effect on January 1 of the
20 first year after the date the chief appraiser notifies the taxing
21 units of the increase.

22 (e) If the number of members of the board is increased under
23 this section, one-half of the total number of positions on the board
24 must be elective positions filled in the manner provided by Section
25 6.03.

26 (f) A change in [~~membership or~~] selection of the board
27 members appointed by the taxing units participating in the district

1 made as provided by this section remains in effect until changed in
2 a manner provided by this section or rescinded by resolution of a
3 majority of the governing bodies that are entitled to vote on
4 appointment of board members under Section 6.03 [~~of this code~~].

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

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

13 (1) a conservation and reclamation district has filed
14 a request to the chief appraiser to nominate and vote on directors
15 in the current year as provided by Section 6.03(c); or

16 (2) conservation and reclamation districts were
17 entitled to vote on the appointment of directors in the appraisal
18 district in the most recent year in which directors were appointed
19 under Section 6.03.

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

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

26 (b) An application for a place on the ballot must be filed
27 with the county judge of the county for which the appraisal district

1 is established and be accompanied by a filing fee of:

2 (1) \$1,250 for a county with a population of 200,000 or
3 more; or

4 (2) \$750 for a county with a population of less than
5 200,000.

6 (c) A filing fee received under this section shall be
7 deposited in the county treasury to the credit of the county general
8 fund.

9 SECTION 4. Section 6.033, Tax Code, is amended to read as
10 follows:

11 Sec. 6.033. RECALL OF APPOINTED DIRECTOR. (a) The
12 governing body of a taxing unit may call for the recall of a member
13 of the board of directors of an appraisal district appointed by the
14 taxing units participating in the district under Section 6.03 [~~of~~
15 ~~this code~~] for whom the taxing unit cast any of its votes in the
16 appointment of the appointive board members. The call must be in
17 the form of a resolution, be filed with the chief appraiser of the
18 appraisal district, and state that the taxing unit is calling for
19 the recall of the member. If a resolution calling for the recall of
20 a board member is filed under this subsection, the chief appraiser,
21 not later than the 10th day after the date of filing, shall deliver
22 a written notice of the filing of the resolution and the date of its
23 filing to the presiding officer of the governing body of each taxing
24 unit entitled to vote in the appointment of board members.

25 (b) On or before the 30th day after the date on which a
26 resolution calling for the recall of a member of the board appointed
27 by the taxing units participating in the district is filed, the

1 governing body of a taxing unit that cast any of its votes in the
2 appointment of the board for that member may vote to recall the
3 member by resolution submitted to the chief appraiser. Each taxing
4 unit is entitled to the same number of votes in the recall as it cast
5 for that member in the member's appointment to [~~of~~] the board. The
6 governing body of the taxing unit calling for the recall may cast
7 its votes in favor of the recall in the same resolution in which it
8 called for the recall.

9 (c) Not later than the 10th day after the last day provided
10 by this section for voting in favor of the recall, the chief
11 appraiser shall count the votes cast in favor of the recall. If the
12 number of votes in favor of the recall equals or exceeds a majority
13 of the votes cast for the member in the member's appointment to [~~of~~]
14 the board, the member is recalled and ceases to be a member of the
15 board. The chief appraiser shall immediately notify in writing the
16 presiding officer of the appraisal district board of directors and
17 of the governing body of each taxing unit that voted in the recall
18 election of the outcome of the recall election. If the presiding
19 officer of the appraisal district board of directors is the member
20 whose recall was voted on, the chief appraiser shall also notify the
21 secretary of the appraisal district board of directors of the
22 outcome of the recall election.

23 (d) If a vacancy occurs on the board of directors after the
24 recall of a member of the board under this section, the taxing units
25 that were entitled to vote in the recall election shall appoint a
26 new board member to the vacancy. Each taxing unit is entitled to
27 the same number of votes as it originally cast to appoint the

1 recalled board member. Each taxing unit entitled to vote may
2 nominate one candidate by resolution adopted by its governing body.
3 The presiding officer of the governing body of the taxing unit shall
4 submit the name of the taxing unit's nominee to the chief appraiser
5 on or before the 30th day after the date it receives notification
6 from the chief appraiser of the result of the recall election. On or
7 before the 15th day after the last day provided for a nomination to
8 be submitted, the chief appraiser shall prepare a ballot, listing
9 the candidates nominated alphabetically according to each
10 candidate's surname, and shall deliver a copy of the ballot to the
11 presiding officer of the governing body of each taxing unit that is
12 entitled to vote. On or before the 15th day after the date on which
13 a taxing unit's ballot is delivered, the governing body of the
14 taxing unit shall determine its vote by resolution and submit it to
15 the chief appraiser. On or before the 15th day after the last day on
16 which a taxing unit may vote, the chief appraiser shall count the
17 votes, declare the candidate who received the largest vote total
18 appointed, and submit the results to the presiding officer of the
19 governing body of the appraisal district and of each taxing unit in
20 the district and to the candidates. The chief appraiser shall
21 resolve a tie vote by any method of chance.

22 (e) If the members appointed by the taxing units
23 participating in the district to the board of directors of an
24 appraisal district are [~~is~~] appointed by a method or procedure
25 adopted under Section 6.031 [~~of this code~~], the governing bodies of
26 the taxing units that voted for or otherwise participated in the
27 appointment of a member of the board may recall that member and

1 appoint a new member to the vacancy by any method adopted by
2 resolution of a majority of those governing bodies. If the
3 appointment was by election by the taxing units participating in
4 the district, the method of recall and of appointing a new member to
5 the vacancy is not valid unless it provides that each taxing unit is
6 entitled to the same number of votes in the recall and in the
7 appointment to fill the vacancy as the taxing unit [~~it~~] originally
8 cast for the member being recalled.

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

11 (a) An individual is not eligible to be a candidate for, to
12 be appointed to, or to serve on the board of directors of an
13 appraisal district if the individual or a business entity in which
14 the individual has a substantial interest is a party to a contract
15 with:

- 16 (1) the appraisal district; or
17 (2) a taxing unit that participates in the appraisal
18 district, if the contract relates to the performance of an activity
19 governed by this title.

20 SECTION 6. Section 6.037, Tax Code, is amended to read as
21 follows:

22 Sec. 6.037. PARTICIPATION OF CONSERVATION AND RECLAMATION
23 DISTRICTS IN APPRAISAL DISTRICT MATTERS. In this title, a
24 reference to the taxing units entitled to vote on the appointment of
25 appraisal district board members includes the conservation and
26 reclamation districts participating in the appraisal district,
27 without regard to whether the conservation and reclamation

1 districts are currently entitled to do so under Section 6.03(c). In
2 a provision of this title other than Section 6.03 or 6.031 that
3 grants authority to a majority or other number of the taxing units
4 entitled to vote on the appointment of appraisal district
5 directors, including the disapproval of the appraisal district
6 budget under Section 6.06 [~~and the disapproval of appraisal~~
7 ~~district board actions under Section 6.10~~], the conservation and
8 reclamation districts participating in the appraisal district are
9 given the vote or authority of one taxing unit. That vote or
10 authority is considered exercised only if a majority of the
11 conservation and reclamation districts take the same action to
12 exercise that vote or authority. Otherwise, the conservation and
13 reclamation districts are treated in the same manner as a single
14 taxing unit that is entitled to act but does not take any action on
15 the matter.

16 SECTION 7. Sections 6.034 and 6.10, Tax Code, are repealed.

17 SECTION 8. (a) The appraisal district director holding an
18 elective position shall be elected in each appraisal district as
19 provided by Section 6.03, Tax Code, as amended by this Act, and
20 Section 6.032, Tax Code, as added by this Act, beginning with the
21 general election for state and county officers conducted in 2020.
22 The director then elected takes office January 1, 2021.

23 (b) The change in law made by this Act does not affect the
24 selection of appraisal district directors serving before January 1,
25 2021.

26 (c) The term of an appraisal district director serving on
27 December 31, 2020, expires on January 1, 2021. Notwithstanding

1 Section 6.03(b), Tax Code, as amended by this Act, the taxing units
2 participating in the appraisal district shall appoint the
3 appropriate number of appraisal district directors to serve a
4 one-year term beginning January 1, 2021. Thereafter, directors
5 serving in appointive positions on the board serve two-year terms
6 beginning January 1 of each even-numbered year.

7 SECTION 9. (a) Except as provided by Subsection (b) of this
8 section, this Act takes effect January 1, 2021.

9 (b) This section and Section 8 of this Act take effect
10 September 1, 2019.