

## **BILL ANALYSIS**

Senate Research Center  
87R10794 LHC-D

S.B. 1245  
By: Perry  
Finance  
4/8/2021  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Reliability and accuracy of the property value study is critical because it helps determine the amount of funding a school district receives from the state.

To ensure up-to-date and accurate data is used in the study, each year the Office of the Comptroller of Public Accounts of the State of Texas conducts a farm and ranch survey (FARS). This survey gathers agricultural productivity data, which helps determine the value of farm and ranch land for the study.

Unfortunately, stakeholders have noticed that the FARS is not always turned in by appraisers and landowners, or the survey is turned in incomplete. Also, there have been observations that there may be a lack of understanding on how to properly and accurately fill out the survey.

S.B. 1245 takes steps towards ensuring the accuracy and reliability of FARS.

As proposed, S.B. 1245 amends current law relating to the farm and ranch survey conducted by the comptroller for purposes of estimating the productivity value of qualified open-space land as part of the study of school district taxable values.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter D, Chapter 23, Tax Code, by adding Section 23.61, as follows:

Sec. 23.61. FARM AND RANCH SURVEY. (a) Requires the Comptroller of Public Accounts of the State of Texas (comptroller) to conduct an annual farm and ranch survey for purposes of estimating the productivity value of qualified open-space land as part of the study of school district taxable values required by Section 403.302 (Determination of School District Property Values), Government Code.

(b) Requires the comptroller to prepare and issue a manual that provides information to assist property owners in completing the farm and ranch survey. Requires that the manual include:

- (1) definitions of words related to property appraisal in the survey;
- (2) instructions and examples regarding how to answer the questions in the survey;
- (3) answers to frequently asked questions; and
- (4) any other information the comptroller determines is necessary to assist property owners in completing the survey.

(c) Requires the comptroller, at least once each year, to conduct an online or in-person training that is open to the public regarding how to complete the farm and ranch survey. Requires the comptroller to post a recording of the training on the comptroller's Internet website.

(d) Requires the comptroller, at least once each year, to solicit comments from the public and the property tax administration advisory board for the purposes of determining the ease and understandability of the farm and ranch survey and ensuring that the questions in the survey are designed to generate reliable answers.

(e) Requires the chief appraiser of each appraisal district to distribute the farm and ranch survey manual to the agricultural advisory board for the appraisal district appointed under Section 6.12 (Agricultural Appraisal Advisory Board) and to provide information to the board regarding how to access the training provided under Subsection (c). Authorizes the chief appraiser to distribute the manual electronically under this subsection.

SECTION 2. Requires the comptroller, not later than January 1, 2022, to prepare and issue the manual required by Section 23.61, Tax Code, as added by this Act.

SECTION 3. Effective date: September 1, 2021.