A BILL TO BE ENTITLED

AN ACT

relating to the system for appraising property for ad valorem tax purposes.

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

SECTION 1. Section 5.03, Tax Code, is amended by adding Subsection (d) to read as follows:

(d) Notwithstanding any other provision of this title, the comptroller may, after providing notice, require a document, payment, notice, report, or other item required to be submitted to the comptroller under this title to be submitted electronically and may send a document, payment, notice, report or other item the comptroller is required to send under this title electronically. The comptroller may adopt rules to administer this subsection, including rules specifying the format of an item electronically submitted to or sent by the comptroller.

SECTION 2. Section 5.041, Tax Code, is amended by amending Subsections (b) and (e-1) and adding Subsection (i) to read as follows:

(b) A member of the appraisal review board established for an appraisal district must complete the course established under Subsection (a). The course must provide at least eight hours of classroom or distance training and education. A member of the appraisal review board may not participate in a hearing conducted by the board unless the person has completed the course established...
under Subsection (a) and received a certificate of course completion.

(e-1) In addition to the course established under Subsection (a), the comptroller shall approve curricula and provide materials for use in a continuing education course for members of an appraisal review board. The course must provide at least four hours of classroom or distance training and education. The curricula and materials must include information regarding:

- (1) the cost, income, and market data comparison methods of appraising property;
- (2) the appraisal of business personal property;
- (3) the determination of capitalization rates for property appraisal purposes;
- (4) the duties of an appraisal review board;
- (5) the requirements regarding the independence of an appraisal review board from the board of directors and the chief appraiser and other employees of the appraisal district;
- (6) the prohibitions against ex parte communications applicable to appraisal review board members;
- (7) the Uniform Standards of Professional Appraisal Practice;
- (8) the duty of the appraisal district to substantiate the district's determination of the value of property;
- (9) the requirements regarding the equal and uniform appraisal of property;
- (10) the right of a property owner to protest the appraisal of the property as provided by Chapter 41; and
(11) a detailed explanation of each of the actions described by Sections 25.25, 41.41(a), 41.411, 41.412, 41.413, 41.42, and 41.43 so that members are fully aware of each of the grounds on which a property appraisal can be appealed.

(i) The comptroller may adopt rules to implement this section, including rules establishing criteria for course availability and for demonstrating course completion.

SECTION 3. Section 6.035(a-1), Tax Code, is amended to read as follows:

(a-1) An individual is ineligible to serve on the board of directors of an appraisal district if the individual:

(1) has served as a member of the board of directors for all or part of three terms, unless:

(A) the individual was the county assessor-collector at the time the individual served as a board member; or

(B) the appraisal district is established in a county with a population of less than 120,000;

(2) has engaged in the business of appraising property for compensation for use in proceedings under this title at any time during the preceding three years;

(3) has engaged in the business of representing property owners for compensation in proceedings under this title in the appraisal district at any time during the preceding three years; or

(4) has been an employee of the appraisal district at
any time during the preceding three years.

SECTION 4. Section 6.054, Tax Code, is amended to read as follows:

Sec. 6.054. RESTRICTION ON EMPLOYMENT BY APPRAISAL DISTRICT. An individual may not be employed by an appraisal district if the individual:

(1) is an officer of a taxing unit that participates in the appraisal district;

(2) is an employee of a taxing unit that participates in the appraisal district; or

(3) has served as a member of the appraisal review board for the appraisal district at any time during the preceding two years.

SECTION 5. Section 6.41(f), Tax Code, is amended to read as follows:

(f) A member of the appraisal review board may be removed from the board by a majority vote of the appraisal district board of directors, or by the local administrative district judge or the judge's designee, as applicable, that appointed the member. Not later than the 90th day after the date the board of directors, local administrative district judge, or judge's designee that appointed a member of the appraisal review board learns of a potential ground for removal of the member, the board of directors, local administrative district judge, or judge's designee, as applicable, shall remove the member or find by official action that the member's removal is not warranted. Grounds for removal are:

(1) a violation of Section 6.412, 6.413, 41.66(f), or
(2) good cause relating to the attendance of members at called meetings of the board as established by written policy adopted by a majority of the appraisal district board of directors; or

(3) evidence of repeated bias or misconduct.

SECTION 6. Sections 11.45(a), (d), and (e), Tax Code, are amended to read as follows:

(a) The chief appraiser shall determine separately each applicant's right to an exemption. After considering the application and all relevant information, the chief appraiser shall, as soon as practicable but not later than the 90th day after the date the application is filed with the chief appraiser, as the law and facts warrant:

(1) approve the application and allow the exemption;

(2) modify the exemption applied for and allow the exemption as modified;

(3) disapprove the application and request additional information from the applicant in support of the claim; or

(4) deny the application.

(d) If the chief appraiser modifies or denies an application, the chief appraiser shall deliver a written notice of the modification or denial to the applicant within five days after the date the chief appraiser makes the determination. The notice must state and fully explain each reason the chief appraiser modified or denied the application. The notice must include a brief explanation of the
procedures for protesting the modification or denial [his action].

(e) If the chief appraiser approves, modifies, or denies an application for an exemption under Section 11.35, the chief appraiser shall deliver a written notice of the approval, modification, or denial to the applicant not later than the fifth day after the date the chief appraiser makes the determination. The notice must include the damage assessment rating assigned by the chief appraiser to each item of qualified property that is the subject of the application and a brief explanation of the procedures for protesting the chief appraiser's determination. If the chief appraiser modifies or denies the application, the notice must state and fully explain each reason the chief appraiser modified or denied the application. The notice required under this subsection is in lieu of any notice that would otherwise be required under Subsection (d).

SECTION 7. Sections 23.44(a) and (d), Tax Code, are amended to read as follows:

(a) The chief appraiser shall determine individually each claimant's right to the agricultural designation. After considering the application and all relevant information, the chief appraiser shall, as soon as practicable but not later than the 90th day after the date the application is filed with the chief appraiser, as the law and facts warrant:

(1) approve the application and designate the land for agricultural use;

(2) disapprove the application and request additional information from the claimant in support of the claim; or
(3) deny the application.

(d) If the chief appraiser denies an application, the chief appraiser shall deliver a written notice of the denial to the claimant within five days after the date of denial. The notice must state and fully explain each reason the chief appraiser denied the application. The notice must include a brief explanation of the procedures for protesting the denial.

SECTION 8. Sections 23.57(a) and (d), Tax Code, are amended to read as follows:

(a) The chief appraiser shall determine separately each applicant's right to have the applicant's land appraised under this subchapter. After considering the application and all relevant information, the chief appraiser shall, as soon as practicable but not later than the 90th day after the date the application is filed with the chief appraiser, as the law and facts warrant:

(1) approve the application and allow appraisal under this subchapter;

(2) disapprove the application and request additional information from the applicant in support of the claim; or

(3) deny the application.

(d) If the chief appraiser denies an application, the chief appraiser shall deliver a written notice of the denial to the applicant within five days after the date the chief appraiser makes the determination. The notice must state and fully explain each reason the chief appraiser denied the application. The notice must include a brief explanation of the procedures for protesting the denial.
procedures for protesting the denial [his action and a full explanation of the reasons for denial of the application].

SECTION 9. Sections 23.79(a) and (d), Tax Code, are amended to read as follows:

(a) The chief appraiser shall determine separately each applicant's right to have the applicant's [his] land appraised under this subchapter. After considering the application and all relevant information, the chief appraiser shall, as soon as practicable but not later than the 90th day after the date the application is filed with the chief appraiser, as the law and facts warrant:

(1) approve the application and allow appraisal under this subchapter;

(2) disapprove the application and request additional information from the applicant in support of the claim; or

(3) deny the application.

(d) If the chief appraiser denies an application, the chief appraiser [he] shall deliver a written notice of the denial to the applicant within five days after the date the chief appraiser [he] makes the determination. The notice must state and fully explain each reason the chief appraiser denied the application. The notice must [he shall] include [with the notice] a brief explanation of the procedures for protesting the denial [his action].

SECTION 10. Sections 23.85(a) and (d), Tax Code, are amended to read as follows:

(a) The chief appraiser shall determine individually each claimant's right to appraisal under this subchapter. After
considering the application and all relevant information, the chief appraiser shall, as soon as practicable but not later than the 90th day after the date the application is filed with the chief appraiser, as the law and facts warrant:

(1) approve the application and allow appraisal under this subchapter;

(2) disapprove the application and request additional information from the claimant in support of the claim; or

(3) deny the application.

(d) If the chief appraiser denies an application, the chief appraiser [he] shall deliver a written notice of the denial to the claimant within five days after the date of denial. The notice must state and fully explain each reason the chief appraiser denied the application. The notice must include a brief explanation of the procedures for protesting the denial.

SECTION 11. Sections 23.95(a) and (d), Tax Code, are amended to read as follows:

(a) The chief appraiser shall determine individually each claimant's right to appraisal under this subchapter. After considering the application and all relevant information, the chief appraiser shall, as soon as practicable but not later than the 90th day after the date the application is filed with the chief appraiser, as the law and facts warrant:

(1) approve the application and allow appraisal under this subchapter;

(2) disapprove the application and request additional information from the claimant in support of the claim; or
(3) deny the application.

(d) If the chief appraiser denies an application, the chief appraiser shall deliver a written notice of the denial to the claimant within five days after the date of denial. The notice must state and fully explain each reason the chief appraiser denied the application. The notice must include a brief explanation of the procedures for protesting the denial.

SECTION 12. Sections 23.9805(a) and (d), Tax Code, are amended to read as follows:

(a) The chief appraiser shall determine separately each applicant's right to have the applicant's land appraised under this subchapter. After considering the application and all relevant information, the chief appraiser shall, as soon as practicable but not later than the 90th day after the date the application is filed with the chief appraiser, based on the law and facts:

(1) approve the application and allow appraisal under this subchapter;

(2) disapprove the application and request additional information from the applicant in support of the claim; or

(3) deny the application.

(d) If the chief appraiser denies an application, the chief appraiser shall deliver a written notice of the denial to the applicant not later than the fifth day after the date the chief appraiser makes the determination. The notice must state and fully explain each reason the chief appraiser denied the application. The chief appraiser shall include with the notice a brief explanation of the procedures for protesting the denial.
SECTION 13. Section 25.193(b), Tax Code, is amended to read as follows:

(b) If a property owner has elected to receive notices by e-mail as provided by Section 1.086, [for property described by that section,] the notice required by this section must be sent in that manner regardless of whether the information was also included in a notice under Section 25.19 and must be sent separately from any other notice sent to the property owner by the chief appraiser.

SECTION 14. Section 25.25(e), Tax Code, is amended to read as follows:

(e) If the chief appraiser and the property owner do not agree to the correction before the 15th day after the date the motion is filed, a party bringing a motion under Subsection (c) or (d) is entitled on request to a hearing on and a determination of the motion by the appraisal review board. A party bringing a motion under this section must describe the error or errors that the motion is seeking to correct. The appraisal review board shall schedule the hearing to be held as soon as practicable but not later than the 90th day after the date the request for the hearing is made. Not later than 15 days before the date of the hearing, the board shall deliver written notice of the date, time, and place of the hearing to the chief appraiser, the property owner, and the presiding officer of the governing body of each taxing unit in which the property is located. The chief appraiser, the property owner, and each taxing unit are entitled to present evidence and argument at the hearing and to receive written notice of the board's determination of the motion. The property owner is entitled to
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1 elect to present the owner's evidence and argument before, after,
2 or between the cases presented by the chief appraiser and each
3 taxing unit. A property owner who files the motion must comply
4 with the payment requirements of Section 25.26 or forfeit the right
5 to a final determination of the motion.

6 SECTION 15. Section 41.44(d), Tax Code, is amended to read
7 as follows:
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9 (d) A notice of protest is sufficient if it identifies the
10 protesting property owner, including a person claiming an ownership
11 interest in the property even if that person is not listed on the
12 appraisal records as an owner of the property, identifies the
13 property that is the subject of the protest, and indicates apparent
14 dissatisfaction with some determination of the appraisal
15 office. The notice need not be on an official form, but the
16 comptroller shall prescribe a form that provides for more detail
17 about the nature of the protest. The form must permit a property
18 owner to include each property in the appraisal district that is the
19 subject of a protest. If the form includes boxes a property owner
20 is required to select from to indicate the reason the owner is
21 filing a protest, the form must permit a property owner who believes
22 that the owner's property was appraised at a value that exceeds its
23 appraised value, was appraised unequally, or both, to select a
24 single box to indicate that the owner is filing a protest for either
25 or both reasons. The form must permit a property owner to request
26 that the protest be heard by a special panel established under
27 Section 6.425 if the protest will be determined by an appraisal
28 review board to which that section applies and the property is
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included in a classification described by Section 6.425(b). The comptroller, each appraisal office, and each appraisal review board shall make the forms readily available and deliver one to a property owner on request.

SECTION 16. Section 41.45(a), Tax Code, is amended to read as follows:

(a) On the filing of a notice as required by Section 41.44, the appraisal review board shall schedule a hearing on the protest. The appraisal review board shall schedule the hearing to be held as soon as practicable but not later than the 90th day after the date the board approves the appraisal records as provided by Section 41.12. If more than one protest is filed relating to the same property, the appraisal review board shall schedule a single hearing on all timely filed protests relating to the property. A hearing for a property that is owned in undivided or fractional interests, including separate interests in a mineral in place, shall be scheduled to provide for participation by all owners who have timely filed a protest.

SECTION 17. Section 41.46, Tax Code, is amended by adding Subsection (f) to read as follows:

(f) In addition to the notice required by Subsection (a), on written request of the property owner initiating the protest, the appraisal review board shall deliver to the property owner an electronic reminder stating the date, time, and place of the protest hearing that is the subject of the notice. The property owner may request that delivery of the electronic reminder be made by e-mail or text message. The property owner must provide in the
request the e-mail address or telephone number, as applicable, to
which the appraisal review board must send the reminder. The
appraisal review board must deliver the electronic reminder to the
property owner not earlier than the seventh day after the date the
appraisal review board delivers the notice required by Subsection
(a) and not later than the day before the date of the hearing.

SECTION 18. Section 41.67, Tax Code, is amended by adding
Subsection (e) to read as follows:

(e) The chief appraiser may not offer evidence or argument
at a hearing on a protest in support of a reason for modifying or
denying an application other than a reason stated in a notice
delivered to the applicant under Section 11.45(d) or (e), 23.44(d),
23.57(d), 23.79(d), 23.85(d), 23.95(d), or 23.9805(d).

SECTION 19. Section 6.035(a-1), Tax Code, as amended by
this Act, does not affect the eligibility of a person serving as an
appointed member of the board of directors of an appraisal district
immediately before the effective date of this Act to continue to
serve on the board for the remainder of the term to which the member
was appointed.

SECTION 20. Section 6.054, Tax Code, as amended by this Act,
applies only to a former member of an appraisal review board first
employed by an appraisal district on or after the effective date of
this Act.

SECTION 21. Section 6.41(f), Tax Code, as amended by this
Act, applies only to a potential ground for removal of a member of
an appraisal review board that an appraisal district board of
directors, local administrative district judge, or local
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administrative district judge's designee, as applicable, first learns of on or after the effective date of this Act.

SECTION 22. Sections 11.45(a), 23.44(a), 23.57(a), 23.79(a), 23.85(a), 23.95(a), and 23.9805(a), Tax Code, as amended by this Act, apply only to an application filed with a chief appraiser on or after the effective date of this Act.

SECTION 23. Sections 11.45(d) and (e), 23.44(d), 23.57(d), 23.79(d), 23.85(d), 23.95(d), and 23.9805(d), Tax Code, as amended by this Act, apply only to a notice required to be delivered by a chief appraiser on or after the effective date of this Act.

SECTION 24. Section 25.25(e), Tax Code, as amended by this Act, applies only to a motion to correct an appraisal roll filed on or after the effective date of this Act.

SECTION 25. Sections 41.45, 41.46, and 41.67, Tax Code, as amended by this Act, apply only to a protest for which the notice of protest was filed on or after the effective date of this Act.

SECTION 26. This Act takes effect September 1, 2021.