88R1316 DRS-D

By:  Metcalf H.B. No. 810

A BILL TO BE ENTITLED

AN ACT

relating to the selection and administration of an appraisal review board; authorizing a fee.

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

SECTION 1.  Section 5.103(b), Tax Code, is amended to read as follows:

(b)  The model hearing procedures shall address:

(1)  the statutory duties of an appraisal review board;

(2)  the process for conducting a hearing;

(3)  the scheduling of hearings;

(4)  the postponement of hearings;

(5)  the notices required under this title;

(6)  the determination of good cause under Section 41.44(b);

(7)  the determination of good cause under Sections 41.45(e) and (e-1);

(8)  a party's right to offer evidence and argument;

(9)  a party's right to examine or cross-examine witnesses or other parties;

(10)  a party's right to appear by an agent;

(11)  the prohibition of an appraisal review board's consideration of information not provided at a hearing;

(12)  ex parte and other prohibited communications;

(13)  the exclusion of evidence at a hearing as required by Section 41.67(d);

(14)  the postponement of a hearing as required by Section 41.66(h);

(15)  conflicts of interest; and

(16)  [~~the process for the administration of applications for membership on an appraisal review board; and~~

[~~(17)~~]  any other matter related to fair and efficient appraisal review board hearings.

SECTION 2.  Sections 6.41(a), (b), (c), (d), (e), (g), (j), and (k), Tax Code, are amended to read as follows:

(a)  An [~~The~~] appraisal review board is established for each appraisal district.

(b)  The [~~Except as provided by Subsection (b-1) or (b-2), an~~] appraisal review board consists of five [~~three~~] members elected at the general election for state and county officers. One member is elected from each of the four commissioners precincts in the county in which the appraisal district is established and one member is elected at large from the county. The members serve two-year terms beginning on January 1 of odd-numbered years.

(c)  To be eligible to serve on the board, an individual must:

(1)  be a resident of:

(A)  the commissioners precinct from which the member is elected, in the case of a member elected from a commissioners precinct; or

(B)  the county in which the appraisal district is established, in the case of a member elected at large; [~~district~~] and

(2)  [~~must~~] have resided in the county [~~district~~] for at least two years.

(d)  [~~Members of the board are appointed by the local administrative district judge under Subchapter D, Chapter 74, Government Code, in the county in which the appraisal district is established.~~] A vacancy on the board is filled by appointment by the commissioners court of the county in which the appraisal district is established [~~in the same manner~~] for the unexpired portion of the term. An individual appointed to fill a vacancy on the board must meet the qualifications of the vacated position.

(e)  If as a result of a change in the boundaries of a commissioners precinct an individual serving as a member no longer resides in the precinct from which the office is elected, the individual is not for that reason disqualified from office during the remainder of the term of office being served at the time the boundary change takes effect.  If as a result of a change in the boundaries of a commissioners precinct an individual elected as a member before the boundary change to a term that begins after the boundary change no longer resides in the precinct from which elected, the individual is not for that reason disqualified from serving the term to which elected [~~Members of the board hold office for terms of two years beginning January 1.  The appraisal district board of directors by resolution shall provide for staggered terms, so that the terms of as close to one-half of the members as possible expire each year.  In making the initial or subsequent appointments, the local administrative district judge or the judge's designee shall designate those members who serve terms of one year as needed to comply with this subsection~~].

(g)  Subsection (a) does not preclude the boards of directors of two or more adjoining appraisal districts from providing for the operation of a consolidated appraisal review board by interlocal contract. [~~Members of a consolidated appraisal review board are appointed jointly by the local administrative district judges in the counties in which the appraisal districts that are parties to the contract are established.~~]

(j)  A chief appraiser or another employee or agent of an appraisal district commits an offense if the person communicates with a member of the appraisal review board for the appraisal district or[~~,~~] a member of the board of directors of the appraisal district[~~, or the local administrative district judge~~] regarding a ranking, scoring, or reporting of the percentage by which the appraisal review board or a panel of the board reduces the appraised value of property.

(k)  An offense under Subsection [~~(i) or~~] (j) is a Class A misdemeanor.

SECTION 3.  Section 6.41(f), Tax Code, as amended by Chapters 354 (H.B. 2941) and 533 (S.B. 63), Acts of the 87th Legislature, Regular Session, 2021, is reenacted and amended to read as follows:

(f)  For purposes of Chapter 87, Local Government Code, grounds [~~A member of the appraisal review board may be removed from the board by the local administrative district judge or the judge's designee. 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 of a member of an appraisal review board include [~~are~~]:

(1)  a violation of Section 6.412, 6.413, 41.66(f), or 41.69;

(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; or

(4)  failure to complete a course required by Section 5.041.

SECTION 4.  Section 6.411(c-1), Tax Code, is amended to read as follows:

(c-1)  This section does not apply to communications with a member of an appraisal review board by the chief appraiser or another employee or a member of the board of directors of an appraisal district or a property tax consultant or attorney representing a party to a proceeding before the appraisal review board:

(1)  during a hearing on a protest or other proceeding before the appraisal review board;

(2)  that constitute social conversation;

(3)  that are specifically limited to and involve administrative, clerical, or logistical matters related to the scheduling and operation of hearings, the processing of documents, the issuance of orders, notices, and subpoenas, and the operation, appointment, composition, or attendance at training of the appraisal review board; or

(4)  that are necessary and appropriate to enable the appraisal review board [~~of directors of the appraisal district~~] to determine whether to appoint, reappoint, or remove a person as an auxiliary board [~~a~~] member or as the chairman or secretary of the appraisal review board.

SECTION 5.  Section 6.412(d), Tax Code, is amended to read as follows:

(d)  A person is ineligible to serve on the appraisal review board of an appraisal district established in [~~for~~] a county with a population of 120,000 or more if the person:

(1)  is a former member of the board of directors, former officer, or former employee of the appraisal district;

(2)  served as a member of the governing body or officer of a taxing unit for which the appraisal district appraises property, until the fourth anniversary of the date the person ceased to be a member or officer;

(3)  appeared before the appraisal review board for compensation during the two-year period preceding the date the person is elected or appointed; or

(4)  served for all or part of four [~~three~~] previous terms as a board member or auxiliary board member on the appraisal review board.

SECTION 6.  Section 6.413(a), Tax Code, is amended to read as follows:

(a)  An individual is not eligible to be elected or appointed to or to serve on the appraisal review board established for an appraisal district if the individual or a business entity in which the individual has a substantial interest is a party to a contract with the appraisal district or with a taxing unit that participates in the appraisal district.

SECTION 7.  Section 6.414, Tax Code, is amended by amending Subsections (a), (b), and (f) and adding Subsection (a-1) to read as follows:

(a)  An [~~The board of directors of an~~] appraisal review board [~~district~~] by resolution of a majority of the members may provide for a number of auxiliary appraisal review board members that the board considers appropriate to hear taxpayer protests before the appraisal review board and to assist the board in performing its duties.

(a-1)  This subsection applies only to the appraisal review board of an appraisal district established in a county with a population of one million or more. If the appraisal review board appoints auxiliary board members under this section, the appraisal review board shall appoint an adequate number of qualified individuals as auxiliary board members to permit the chairman of the appraisal review board to fill the positions on each special panel established under Section 6.425.

(b)  An auxiliary board member is appointed to a two-year term by resolution of a majority of the [~~in the same manner and for the same term as an~~] appraisal review board members. An auxiliary board member [~~under Section 6.41 and~~] is subject to the same eligibility requirements and restrictions as a board member under Sections 6.41, 6.411, 6.412, and 6.413. A vacancy among the auxiliary board members is filled in the same manner as the original appointment to the appraisal review board.

(f)  An auxiliary board member is entitled to compensation and [~~as provided by the appraisal district budget and is not entitled to a per diem or~~] reimbursement of expenses as provided by [~~under~~] Section 6.42(c).

SECTION 8.  Section 6.42(a), Tax Code, is amended to read as follows:

(a)  A majority of the appraisal review board constitutes a quorum. The board by resolution [~~local administrative district judge under Subchapter D, Chapter 74, Government Code, in the county in which the appraisal district is established~~] shall select a chairman and a secretary from among the board's members [~~of the appraisal review board~~]. The board [~~judge~~] is encouraged to select as chairman a member of the [~~appraisal review~~] board, if any, who has a background in law and property appraisal.

SECTION 9.  Sections 6.425(a) and (e), Tax Code, are amended to read as follows:

(a)  This section applies only to the appraisal review board for an appraisal district established in a county with a population of one million or more [~~described by Section 6.41(b-2)~~].

(e)  Notwithstanding Subsection (d), the chairman of the appraisal review board may appoint to a special panel described by this section a member of the appraisal review board who does not meet the qualifications prescribed by that subsection if:

(1)  the number of board members [~~persons appointed to the board by the local administrative district judge~~] who meet those qualifications is not sufficient to fill the positions on each special panel; and

(2)  the board member being appointed to the panel holds a bachelor's degree in any field.

SECTION 10.  Section 25.19(b-3), Tax Code, is amended to read as follows:

(b-3)  This subsection applies only to an appraisal district established in a county with a population of one million or more [~~described by Section 6.41(b-2)~~]. In addition to the information required by Subsection (b), the chief appraiser shall state in a notice of appraised value of property described by Section 6.425(b) that the property owner has the right to have a protest relating to the property heard by a special panel of the appraisal review board.

SECTION 11.  Section 41.45(d), Tax Code, is amended to read as follows:

(d)  This subsection does not apply to a single-member panel established under Subsection (b-4) of this section or a special panel established under Section 6.425.  An appraisal review board [~~consisting of more than three members~~] may sit in panels of not fewer than three members to conduct protest hearings.  If the recommendation of a panel is not accepted by the board, the board may refer the matter for rehearing to a panel composed of members who did not hear the original protest or, if there are not at least three members who did not hear the original protest, the board may determine the protest.

SECTION 12.  Sections 41.66(g) and (q), Tax Code, are amended to read as follows:

(g)  At the beginning of a hearing on a protest, each member of the appraisal review board hearing the protest must sign an affidavit stating that the board member has not communicated with another person in violation of Subsection (f). If a board member has communicated with another person in violation of Subsection (f), the member must be recused from the proceeding and may not hear, deliberate on, or vote on the determination of the protest. The appraisal review board [~~of directors of the appraisal district~~] shall adopt and implement a policy concerning the temporary replacement of an appraisal review board member who has communicated with another person in violation of Subsection (f).

(q)  A person who owns property in an appraisal district or the chief appraiser of an appraisal district may file a complaint with the taxpayer liaison officer for the appraisal district alleging that the appraisal review board established for the appraisal district has adopted or is implementing hearing procedures that are not in compliance with the model hearing procedures prepared by the comptroller under Section 5.103 or is not complying with procedural requirements under this chapter. The taxpayer liaison officer shall investigate the complaint and report the findings of the investigation to the board of directors of the appraisal district. If [~~The board of directors shall direct the chairman of the appraisal review board to take remedial action if, after reviewing the taxpayer liaison officer's report,~~] the board of directors determines that the allegations contained in the complaint are true, the [~~. The~~] board of directors shall inform the [~~may remove the member of the appraisal review board serving as~~] chairman of the appraisal review board of its determination and request [~~from that member's position as chairman if the board determines~~] that the chairman [~~has failed to~~] take the actions necessary to bring the appraisal review board into compliance with Section 5.103(d) or this chapter, as applicable.

SECTION 13.  Section 172.024(a), Election Code, is amended to read as follows:

(a)  The filing fee for a candidate for nomination in the general primary election is as follows:

(1)  United States senator $5,000

(2)  office elected statewide, except United States senator 3,750

(3)  United States representative 3,125

(4)  state senator 1,250

(5)  state representative 750

(6)  member, State Board of Education 300

(7)  chief justice or justice, court of appeals, other than a justice specified by Subdivision (8) 1,875

(8)  chief justice or justice of a court of appeals that serves a court of appeals district in which a county with a population of more than one million is wholly or partly situated  2,500

(9)  district judge or judge specified by Section 52.092(d) for which this schedule does not otherwise prescribe a fee 1,500

(10)  district or criminal district judge of a court in a judicial district wholly contained in a county with a population of more than 1.5 million 2,500

(11)  judge, statutory county court, other than a judge specified by Subdivision (12) 1,500

(12)  judge of a statutory county court in a county with a population of more than 1.5 million 2,500

(13)  district attorney, criminal district attorney, or county attorney performing the duties of a district attorney  1,250

(14)  county commissioner, district clerk, county clerk, sheriff, county tax assessor-collector, county treasurer, or judge, constitutional county court:

(A)  county with a population of 200,000 or more  1,250

(B)  county with a population of under 200,000  750

(15)  justice of the peace or constable:

(A)  county with a population of 200,000 or more  1,000

(B)  county with a population of under 200,000  375

(16)  county surveyor 75

(17)  office of the county government for which this schedule does not otherwise prescribe a fee 750

(18)  appraisal review board member:

(A)  county with a population of 200,000 or more 1,250

(B)  county with a population of under 200,000 750

SECTION 14.  The following provisions of the Tax Code are repealed:

(1)  Section 6.052(f); and

(2)  Sections 6.41(b-1), (b-2), (d-1), (d-2), (d-3), (d-4), (d-5), (d-6), (d-7), (d-8), (d-9), (d-10), and (i).

SECTION 15.  (a) Appraisal review board members shall be elected under Section 6.41, Tax Code, as amended by this Act, beginning with the primary and general elections conducted in 2024. Members then elected take office January 1, 2025.

(b)  The change in the manner of selection of appraisal review board members made by Section 6.41, Tax Code, as amended by this Act, does not affect the selection of members who serve on the board before January 1, 2025.

(c)  The term of an appraisal review board member serving on December 31, 2024, expires on January 1, 2025.

(d)  Auxiliary members may be appointed under Section 6.414, Tax Code, as amended by this Act, by the elected appraisal review board members on or after January 1, 2025.

(e)  The change in the manner of selection of auxiliary members made by Section 6.414, Tax Code, as amended by this Act, does not affect the selection of auxiliary members who serve before January 1, 2025.

(f)  The term of an auxiliary member serving on December 31, 2024, expires on January 1, 2025.

SECTION 16.  The repeal by this Act of Section 6.41(i), Tax Code, and the change in law made by this Act to Section 6.41(j), Tax Code, do not apply to an offense committed under either of those subsections before January 1, 2025. An offense committed before January 1, 2025, is governed by the applicable subsection as it existed on the date the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before January 1, 2025, if any element of the offense occurred before that date.

SECTION 17.  (a) Except as otherwise provided by this section, this Act takes effect January 1, 2025.

(b)  This section and Sections 13 and 15 of this Act take effect September 1, 2023.