88R1310 DRS-D

By:  Bell of Montgomery H.B. No. 2500

A BILL TO BE ENTITLED

AN ACT

relating to the selection of the chief appraiser of an appraisal district; authorizing a fee.

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

SECTION 1.  Section 1.15, Tax Code, is amended to read as follows:

Sec. 1.15.  APPRAISERS FOR TAXING UNITS PROHIBITED. A taxing unit may not employ any person for the purpose of appraising property for taxation purposes [~~except to the extent necessary to perform a contract under Section 6.05(b) of this code~~].

SECTION 2.  Sections 5.041(c), (e-1), (e-3), (f), and (g), Tax Code, are amended to read as follows:

(c)  The comptroller may contract with service providers to assist with the duties imposed under Subsection (a), but the course required may not be provided by an appraisal district, the chief appraiser of an appraisal district, an [~~or another~~] employee of an appraisal district, a member of the board of directors of an appraisal district, a member of an appraisal review board, or a taxing unit.  The comptroller may assess a fee to recover a portion of the costs incurred for the training course, but the fee may not exceed $50 for each person trained.  If the training is provided to an individual other than a member of an appraisal review board, the comptroller may assess a fee not to exceed $50 for each person trained.

(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.

(e-3)  The comptroller may contract with service providers to assist with the duties imposed under Subsection (e-1), but the course required by that subsection may not be provided by an appraisal district, the chief appraiser of an appraisal district, an [~~or another~~] employee of an appraisal district, a member of the board of directors of an appraisal district, a member of an appraisal review board, or a taxing unit.  The comptroller may assess a fee to recover a portion of the costs incurred for the continuing education course, but the fee may not exceed $50 for each person trained.  If the training is provided to an individual other than a member of an appraisal review board, the comptroller may assess a fee not to exceed $50 for each person trained.

(f)  The comptroller may not advise a property owner, a property owner's agent, [~~or~~] the chief appraiser of an appraisal district, or an [~~another~~] employee of an appraisal district on a matter that the comptroller knows is the subject of a protest to the appraisal review board.  The comptroller may provide advice to an appraisal review board member as authorized by Subsection (a)(4) of this section or Section 5.103 and may communicate with the chairman of an appraisal review board or a taxpayer liaison officer concerning a complaint filed under Section 6.052.

(g)  Except during a hearing or other appraisal review board proceeding and as provided by Subsection (h) of this section and Section 6.411(c-1), the following persons may not communicate with a member of an appraisal review board about a course provided under this section or any matter presented or discussed during the course:

(1)  the chief appraiser of the appraisal district for which the appraisal review board is established;

(2)  an [~~another~~] employee of the appraisal district for which the appraisal review board is established;

(3)  a member of the board of directors of the appraisal district for which the appraisal review board is established;

(4)  an officer or employee of a taxing unit that participates in the appraisal district for which the appraisal review board is established; and

(5)  an attorney who represents or whose law firm represents the appraisal district or a taxing unit that participates in the appraisal district for which the appraisal review board is established.

SECTION 3.  Section 5.042, Tax Code, is amended by adding Subsection (b-1) to read as follows:

(b-1)  For purposes of removal under Chapter 87, Local Government Code, "incompetency" in the case of a chief appraiser includes the failure of the chief appraiser to complete, within the period provided by Subsection (b) after the date the chief appraiser is first elected or appointed, the course of training required by Subsection (a).

SECTION 4.  Section 5.043(e), Tax Code, is amended to read as follows:

(e)  The comptroller may contract with service providers to assist with the duties imposed under Subsection (b), but the training program may not be provided by an appraisal district, the chief appraiser of an appraisal district, an [~~or another~~] employee of an appraisal district, a member of the board of directors of an appraisal district, a member of an appraisal review board, or a taxing unit.  The comptroller may assess a fee to recover a portion of the costs incurred for the training program, but the fee may not exceed $50 for each person trained.  If the training is provided to a person other than a person who has agreed to serve as an arbitrator under Chapter 41A, the comptroller may assess a fee not to exceed $50 for each person trained.

SECTION 5.  Sections 6.035(a), (b), and (d), Tax Code, are amended to read as follows:

(a)  An individual is ineligible to serve on an appraisal district board of directors or [~~and is disqualified from employment~~] as chief appraiser if the individual:

(1)  is related within the second degree by consanguinity or affinity, as determined under Chapter 573, Government Code, to an individual who is engaged in the business of appraising property for compensation for use in proceedings under this title or of representing property owners for compensation in proceedings under this title in the appraisal district; or

(2)  owns property on which delinquent taxes have been owed to a taxing unit for more than 60 days after the date the individual knew or should have known of the delinquency unless:

(A)  the delinquent taxes and any penalties and interest are being paid under an installment payment agreement under Section 33.02; or

(B)  a suit to collect the delinquent taxes is deferred or abated under Section 33.06 or 33.065.

(b)  A member of an appraisal district board of directors or a chief appraiser commits an offense if the board member or chief appraiser continues to hold office [~~or the chief appraiser remains employed~~] knowing that an individual related within the second degree by consanguinity or affinity, as determined under Chapter 573, Government Code, to the board member or chief appraiser is engaged in the business of appraising property for compensation for use in proceedings under this title or of representing property owners for compensation in proceedings under this title in the appraisal district in which the member or chief appraiser serves [~~or the chief appraiser is employed~~]. An offense under this subsection is a Class B misdemeanor.

(d)  An appraisal performed by a chief appraiser in a private capacity or by an individual related within the second degree by consanguinity or affinity, as determined under Chapter 573, Government Code, to the chief appraiser may not be used as evidence in a protest or challenge under Chapter 41 or an appeal under Chapter 42 concerning property that is taxable in the appraisal district in which the chief appraiser serves [~~is employed~~].

SECTION 6.  The heading to Section 6.05, Tax Code, is amended to read as follows:

Sec. 6.05.  APPRAISAL OFFICE; CHIEF APPRAISER.

SECTION 7.  Sections 6.05(b), (c), and (d), Tax Code, are amended to read as follows:

(b)  The board of directors of an appraisal district may contract with an appraisal office in another district [~~or with a taxing unit in the district~~] to perform the duties of the appraisal office for the district.

(c)  The chief appraiser is the chief administrator of the appraisal office. The [~~Except as provided by Section 6.0501, the~~] chief appraiser is elected at the general election for state and county officers by the voters of the county in which the appraisal district is established. The chief appraiser serves a two-year term beginning January 1 of each odd-numbered year. To be eligible to serve as chief appraiser, an individual must be a resident of the county in which the appraisal district is established and must have resided in the county for at least four years preceding the date the individual takes office [~~appointed by and serves at the pleasure of the appraisal district board of directors. If a taxing unit performs the duties of the appraisal office pursuant to a contract, the assessor for the unit is the chief appraiser. To be eligible to be appointed or serve as a chief appraiser, a person must be certified as a registered professional appraiser under Section 1151.160, Occupations Code, possess an MAI professional designation from the Appraisal Institute, or possess an Assessment Administration Specialist (AAS), Certified Assessment Evaluator (CAE), or Residential Evaluation Specialist (RES) professional designation from the International Association of Assessing Officers. A person who is eligible to be appointed or serve as a chief appraiser by having a professional designation described by this subsection must become certified as a registered professional appraiser under Section 1151.160, Occupations Code, not later than the fifth anniversary of the date the person is appointed or begins to serve as chief appraiser.  A chief appraiser who is not eligible to be appointed or serve as chief appraiser may not perform an action authorized or required by law to be performed by a chief appraiser, including the preparation, certification, or submission of any part of the appraisal roll.  Not later than January 1 of each year, a chief appraiser shall notify the comptroller in writing that the chief appraiser is either eligible to be appointed or serve as the chief appraiser or not eligible to be appointed or serve as the chief appraiser~~].

(d)  The [~~Except as provided by Section 6.0501, the~~] chief appraiser is entitled to compensation as provided by the budget adopted by the board of directors.  The chief appraiser's compensation may not be directly or indirectly linked to an increase in the total market, appraised, or taxable value of property in the appraisal district.  The [~~Except as provided by Section 6.0501, the~~] chief appraiser may employ and compensate professional, clerical, and other personnel as provided by the budget, with the exception of a general counsel to the appraisal district.

SECTION 8.  Section 6.052(g), Tax Code, is amended to read as follows:

(g)  Notwithstanding any other provision of this chapter, a taxpayer liaison officer does not commit an offense under this chapter if the officer communicates with the chief appraiser of the appraisal district, an [~~or another~~] employee or agent of the appraisal district, a member of the appraisal review board established for the appraisal district, a member of the board of directors of the appraisal district, a property tax consultant, a property owner, an agent of a property owner, or another person if the communication is made in the good faith exercise of the officer's statutory duties.

SECTION 9.  Section 6.155(a), Tax Code, is amended to read as follows:

(a)  A member of the governing body, officer, or employee of a taxing unit commits an offense if the person directly or indirectly communicates with the chief appraiser or an [~~another~~] employee of the appraisal district in which the taxing unit participates for the purpose of influencing the value at which property in the district is appraised unless the person owns or leases the property that is the subject of the communication.

SECTION 10.  Section 6.41, Tax Code, is amended by amending Subsections (i) and (j) and adding Subsection (l) to read as follows:

(i)  The [~~A~~] chief appraiser of the appraisal district, an [~~or another~~] employee or agent of the appraisal district, a member of the appraisal review board for the appraisal district, a member of the board of directors of the appraisal district, a property tax consultant, or an agent of a property owner commits an offense if the person communicates with the local administrative district judge regarding the appointment of appraisal review board members.  This subsection does not apply to:

(1)  a communication between a member of the appraisal review board and the local administrative district judge regarding the member's reappointment to the board;

(2)  a communication between the taxpayer liaison officer for the appraisal district and the local administrative district judge in the course of the performance of the officer's clerical duties so long as the officer does not offer an opinion or comment regarding the appointment of appraisal review board members;

(3)  a communication between the [~~a~~] chief appraiser of the appraisal district, an [~~or another~~] employee or agent of the appraisal district, a member of the appraisal review board for the appraisal district, or a member of the board of directors of the appraisal district and the local administrative district judge regarding information relating to or described by Subsection (d-1), (d-5), or (f) of this section or Section 411.1296, Government Code;

(4)  a communication between a property tax consultant or a property owner or an agent of the property owner and the taxpayer liaison officer for the appraisal district regarding information relating to or described by Subsection (f)[~~.  The taxpayer liaison officer for the appraisal district shall report the contents of the communication relating to or described by Subsection (f) to the local administrative district judge~~]; or

(5)  a communication between a property tax consultant or a property owner or an agent of the property owner and the local administrative district judge regarding information relating to or described by Subsection (f).

(j)  The [~~A~~] chief appraiser of an appraisal district or an [~~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, 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.

(l)  The taxpayer liaison officer for an appraisal district shall report the contents of a communication described by Subsection (i)(4) to the local administrative district judge.

SECTION 11.  Sections 6.411(a), (b), and (c-1), Tax Code, are amended to read as follows:

(a)  A member of an appraisal review board commits an offense if the member communicates with the chief appraiser of, an [~~or another~~] employee of, or a member of the board of directors of the appraisal district for which the appraisal review board is established in violation of Section 41.66(f).

(b)  The [~~A~~] chief appraiser of an appraisal district, an [~~or another~~] employee of an appraisal district, a member of a 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 commits an offense if the person communicates with a member of the appraisal review board established for the appraisal district with the intent to influence a decision by the member in the member's capacity as a member of the appraisal review board.

(c-1)  This section does not apply to communications with a member of an appraisal review board by the chief appraiser of an appraisal district, an [~~or another~~] employee of an appraisal district, [~~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 board of directors of the appraisal district to determine whether to appoint, reappoint, or remove a person as a member or the chairman or secretary of the appraisal review board.

SECTION 12.  Section 22.28(d), Tax Code, is amended to read as follows:

(d)  To help defray the costs of administering this chapter, a collector who collects a penalty imposed under Subsection (a) shall remit to the appraisal district of [~~that employs~~] the chief appraiser who imposed the penalty an amount equal to five percent of the penalty amount collected.

SECTION 13.  Section 42.21(d), Tax Code, is amended to read as follows:

(d)  An appraisal district is served by service on the chief appraiser at any time or by service on any other officer or an employee of the appraisal district present at the appraisal office at a time when the appraisal office is open for business with the public. An appraisal review board is served by service on the chairman of the appraisal review board. Citation of a party is issued and served in the manner provided by law for civil suits generally.

SECTION 14.  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)  chief appraiser of an appraisal district:

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

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

SECTION 15.  Section 87.041(a), Local Government Code, is amended to read as follows:

(a)  The commissioners court of a county may fill a vacancy in the office of:

(1)  county judge;

(2)  county clerk;

(3)  district and county clerk;

(4)  sheriff;

(5)  county attorney;

(6)  county treasurer;

(7)  county surveyor;

(8)  county tax assessor-collector;

(9)  justice of the peace; [~~or~~]

(10)  constable; or

(11)  chief appraiser.

SECTION 16.  Section 1151.164, Occupations Code, is amended to read as follows:

Sec. 1151.164.  CHIEF APPRAISER TRAINING PROGRAM. (a) The department shall implement a training program for newly elected or appointed chief appraisers and shall prescribe the curriculum for the training program as provided by this section.

(b)  The training program must provide the chief appraiser [~~appointee~~] with information regarding:

(1)  this chapter;

(2)  the programs operated by the department;

(3)  the role and functions of the department;

(4)  the rules of the commission, with an emphasis on the rules that relate to ethical behavior;

(5)  the role and functions of the chief appraiser, the appraisal district board of directors, and the appraisal review board;

(6)  the importance of maintaining the independence of an appraisal office from political pressure;

(7)  the importance of prompt and courteous treatment of the public;

(8)  the finance and budgeting requirements for an appraisal district, including appropriate controls to ensure that expenditures are proper; and

(9)  the requirements of:

(A)  the open meetings law, Chapter 551, Government Code;

(B)  the public information law, Chapter 552, Government Code;

(C)  the administrative procedure law, Chapter 2001, Government Code;

(D)  other laws relating to public officials, including conflict-of-interest laws; and

(E)  the standards of ethics imposed by the Uniform Standards of Professional Appraisal Practice.

SECTION 17.  Sections 5.042(c) and 6.0501, Tax Code, are repealed.

SECTION 18.  (a) Chief appraisers shall be elected as provided by Section 6.05, Tax Code, as amended by this Act, beginning with the primary and general elections conducted in 2024. Chief appraisers then elected take office January 1, 2025.

(b)  The change in the manner of selection of chief appraisers made by this Act does not affect the selection of a chief appraiser who is appointed by the appraisal district board of directors before January 1, 2024, and that person continues to serve at the pleasure of the board of directors as provided by the former law until removed by the board of directors or until the person elected as chief appraiser for the term that begins January 1, 2025, has qualified for office.

SECTION 19.  (a) Except as otherwise provided by this section, this Act takes effect January 1, 2025.

(b)  This section and Sections 14 and 18 of this Act take effect September 1, 2023.