

By: Keough

H.B. No. 85

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 per 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

1 appraisal review board. The curricula and materials must include  
2 information regarding:

3 (1) the cost, income, and market data comparison  
4 methods of appraising property;

5 (2) the appraisal of business personal property;

6 (3) the determination of capitalization rates for  
7 property appraisal purposes;

8 (4) the duties of an appraisal review board;

9 (5) the requirements regarding the independence of an  
10 appraisal review board from the board of directors, ~~and~~ the chief  
11 appraiser, ~~and~~ ~~other~~ employees of the appraisal district;

12 (6) the prohibitions against ex parte communications  
13 applicable to appraisal review board members;

14 (7) the Uniform Standards of Professional Appraisal  
15 Practice;

16 (8) the duty of the appraisal district to substantiate  
17 the district's determination of the value of property;

18 (9) the requirements regarding the equal and uniform  
19 appraisal of property;

20 (10) the right of a property owner to protest the  
21 appraisal of the property as provided by Chapter 41; and

22 (11) a detailed explanation of each of the actions  
23 described by Sections 25.25, 41.41(a), 41.411, 41.412, 41.413,  
24 41.42, and 41.43 so that members are fully aware of each of the  
25 grounds on which a property appraisal can be appealed.

26 (e-3) The comptroller may contract with service providers  
27 to assist with the duties imposed under Subsection (e-1), but the

1 course required by that subsection may not be provided by an  
2 appraisal district, the chief appraiser of an appraisal district,  
3 an [~~or another~~] employee of an appraisal district, a member of the  
4 board of directors of an appraisal district, a member of an  
5 appraisal review board, or a taxing unit. The comptroller may  
6 assess a fee to recover a portion of the costs incurred for the  
7 continuing education course, but the fee may not exceed \$50 for each  
8 person trained.

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

18 (g) Except during a hearing or other appraisal review board  
19 proceeding and as provided by Subsection (h) and Section  
20 6.411(c-1), the following persons may not communicate with a member  
21 of an appraisal review board about a course provided under this  
22 section or any matter presented or discussed during the course:

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

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

27 (3) a member of the board of directors of the appraisal

1 district for which the appraisal review board is established;

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

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

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

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

17 SECTION 4. Sections 6.035(a), (b), and (d), Tax Code, are  
18 amended to read as follows:

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

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

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

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

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

9           (b) A member of an appraisal district board of directors or  
10 a chief appraiser commits an offense if the board member or chief  
11 appraiser continues to hold office [~~or the chief appraiser remains~~  
12 ~~employed~~] knowing that an individual related within the second  
13 degree by consanguinity or affinity, as determined under Chapter  
14 573, Government Code, to the board member or chief appraiser is  
15 engaged in the business of appraising property for compensation for  
16 use in proceedings under this title or of representing property  
17 owners for compensation in proceedings under this title in the  
18 appraisal district in which the member or chief appraiser serves  
19 [~~or the chief appraiser is employed~~]. An offense under this  
20 subsection is a Class B misdemeanor.

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

1 SECTION 5. The heading to Section 6.05, Tax Code, is amended  
2 to read as follows:

3 Sec. 6.05. APPRAISAL OFFICE; CHIEF APPRAISER.

4 SECTION 6. Sections 6.05(b), (c), and (d), Tax Code, are  
5 amended to read as follows:

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

10 (c) The chief appraiser is the chief administrator of the  
11 appraisal office. The [~~Except as provided by Section 6.0501, the~~]  
12 chief appraiser is elected at the general election for state and  
13 county officers by the voters of the county in which the appraisal  
14 district is established. The chief appraiser serves a two-year  
15 term beginning January 1 of each odd-numbered year. To be eligible  
16 to serve as chief appraiser, an individual must be a resident of the  
17 county in which the appraisal district is established and must have  
18 resided in the county for at least four years preceding the date the  
19 individual takes office [~~appointed by and serves at the pleasure of~~  
20 ~~the appraisal district board of directors. If a taxing unit~~  
21 ~~performs the duties of the appraisal office pursuant to a contract,~~  
22 ~~the assessor for the unit is the chief appraiser. To be eligible to~~  
23 ~~be appointed or serve as a chief appraiser, a person must be~~  
24 ~~certified as a registered professional appraiser under Section~~  
25 ~~1151.160, Occupations Code, possess an MAI professional~~  
26 ~~designation from the Appraisal Institute, or possess an Assessment~~  
27 ~~Administration Specialist (AAS), Certified Assessment Evaluator~~

1 ~~(CAE), or Residential Evaluation Specialist (RES) professional~~  
2 ~~designation from the International Association of Assessing~~  
3 ~~Officers. A person who is eligible to be appointed or serve as a~~  
4 ~~chief appraiser by having a professional designation described by~~  
5 ~~this subsection must become certified as a registered professional~~  
6 ~~appraiser under Section 1151.160, Occupations Code, not later than~~  
7 ~~the fifth anniversary of the date the person is appointed or begins~~  
8 ~~to serve as chief appraiser. A chief appraiser who is not eligible~~  
9 ~~to be appointed or serve as chief appraiser may not perform an~~  
10 ~~action authorized or required by law to be performed by a chief~~  
11 ~~appraiser, including the preparation, certification, or submission~~  
12 ~~of any part of the appraisal roll. Not later than January 1 of each~~  
13 ~~year, a chief appraiser shall notify the comptroller in writing~~  
14 ~~that the chief appraiser is either eligible to be appointed or serve~~  
15 ~~as the chief appraiser or not eligible to be appointed or serve as~~  
16 ~~the chief appraiser].~~

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

27       SECTION 7. Subchapter A, Chapter 6, Tax Code, is amended by

1 adding Section 6.0502 to read as follows:

2 Sec. 6.0502. BALLOT PROCEDURES FOR CHIEF APPRAISER; FILING  
3 FEE. (a) Except as provided by this section, Chapter 144, Election  
4 Code, applies to a candidate for the office of chief appraiser of an  
5 appraisal district.

6 (b) An application for a place on the ballot must be filed  
7 with the county judge of the county for which the appraisal district  
8 is established and be accompanied by a filing fee of:

9 (1) \$1,250 for a county with a population of 200,000 or  
10 more; or

11 (2) \$750 for a county with a population of less than  
12 200,000.

13 (c) A candidate's name may appear on the ballot only as an  
14 independent candidate.

15 (d) A filing fee received under this section shall be  
16 deposited in the county treasury to the credit of the county general  
17 fund.

18 SECTION 8. Sections 6.41(i) and (j), Tax Code, are amended  
19 to read as follows:

20 (i) This subsection applies only to an appraisal district  
21 described by Subsection (d-1). The [A] chief appraiser of the  
22 appraisal district, an [or another] employee or agent of the  
23 appraisal district, a member of the appraisal review board for the  
24 appraisal district, a member of the board of directors of the  
25 appraisal district, a property tax consultant, or an agent of a  
26 property owner commits an offense if the person communicates with  
27 the local administrative district judge regarding the appointment



1 of appraisal review board members. This subsection does not apply  
2 to:

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

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

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

20 (4) a communication between a property tax consultant  
21 or a property owner or an agent of the property owner and the  
22 taxpayer liaison officer for the appraisal district regarding  
23 information relating to or described by Subsection (f). The  
24 taxpayer liaison officer for the appraisal district shall report  
25 the contents of the communication relating to or described by  
26 Subsection (f) to the local administrative district judge.

27 (j) The [A] chief appraiser of an appraisal district or an

1 ~~[another]~~ employee or agent of an appraisal district commits an  
2 offense if the person communicates with a member of the appraisal  
3 review board for the appraisal district, a member of the board of  
4 directors of the appraisal district, or, if the appraisal district  
5 is an appraisal district described by Subsection (d-1), the local  
6 administrative district judge regarding a ranking, scoring, or  
7 reporting of the percentage by which the appraisal review board or a  
8 panel of the board reduces the appraised value of property.

9 SECTION 9. Sections 6.411(a), (b), and (c-1), Tax Code, are  
10 amended to read as follows:

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

16 (b) The [A] chief appraiser of an appraisal district, an ~~[or~~  
17 ~~another]~~ employee of an appraisal district, a member of a board of  
18 directors of an appraisal district, or a property tax consultant or  
19 attorney representing a party to a proceeding before the appraisal  
20 review board commits an offense if the person communicates with a  
21 member of the appraisal review board established for the appraisal  
22 district with the intent to influence a decision by the member in  
23 the member's capacity as a member of the appraisal review board.

24 (c-1) This section does not apply to communications with a  
25 member of an appraisal review board by the chief appraiser of an  
26 appraisal district, an ~~[or another]~~ employee of an appraisal  
27 district, ~~[or]~~ a member of the board of directors of an appraisal

1 district, or a property tax consultant or attorney representing a  
2 party to a proceeding before the appraisal review board:

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

5 (2) that constitute social conversation;

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

12 (4) that are necessary and appropriate to enable the  
13 board of directors of the appraisal district to determine whether  
14 to appoint, reappoint, or remove a person as a member or the  
15 chairman or secretary of the appraisal review board.

16 SECTION 10. Section 22.28(d), Tax Code, is amended to read  
17 as follows:

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

23 SECTION 11. Section 42.21(d), Tax Code, is amended to read  
24 as follows:

25 (d) An appraisal district is served by service on the chief  
26 appraiser at any time or by service on any other officer or an  
27 employee of the appraisal district present at the appraisal office

1 at a time when the appraisal office is open for business with the  
2 public. An appraisal review board is served by service on the  
3 chairman of the appraisal review board. Citation of a party is  
4 issued and served in the manner provided by law for civil suits  
5 generally.

6 SECTION 12. Section 52.092, Election Code, is amended by  
7 adding Subsection (h) to read as follows:

8 (h) The secretary of state shall prescribe procedures for  
9 the listing of the office of chief appraiser of an appraisal  
10 district on the ballot.

11 SECTION 13. Section 87.041(a), Local Government Code, is  
12 amended to read as follows:

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

- 15 (1) county judge;
- 16 (2) county clerk;
- 17 (3) district and county clerk;
- 18 (4) sheriff;
- 19 (5) county attorney;
- 20 (6) county treasurer;
- 21 (7) county surveyor;
- 22 (8) county tax assessor-collector;
- 23 (9) justice of the peace; [~~or~~]
- 24 (10) constable; or
- 25 (11) chief appraiser.

26 SECTION 14. Section 1151.164, Occupations Code, is amended  
27 to read as follows:

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

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

7                   (1) this chapter;

8                   (2) the programs operated by the department;

9                   (3) the role and functions of the department;

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

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

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

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

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

22                   (9) the requirements of:

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

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

27                           (C) the administrative procedure law, Chapter

1 2001, Government Code;

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

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

6 SECTION 15. Sections 5.042(c) and 6.0501, Tax Code, are  
7 repealed.

8 SECTION 16. The first election required by Section 6.05(c),  
9 Tax Code, as amended by this Act, shall be held to fill the term of  
10 office of the chief appraiser that begins January 1, 2019. The  
11 change in law made by this Act to Section 6.05, Tax Code, does not  
12 affect the appointment by an appraisal district board of directors  
13 of a person to serve as chief appraiser before the effective date of  
14 this Act, and that person continues to serve at the pleasure of the  
15 appraisal district board of directors as provided by the former law  
16 until removed by the board of directors or until the person elected  
17 to that position for the term that begins January 1, 2019, has  
18 qualified for office. A vacancy in the office of chief appraiser  
19 that occurs on or after the effective date of this Act is filled by  
20 appointment by the commissioners court, as provided by Section  
21 87.041(a), Local Government Code, as amended by this Act.

22 SECTION 17. This Act takes effect September 1, 2017.